**SPBAC
September 22, 2015 Meeting Notes**

**In Attendance**: RCaulfield, JVigil, BEwing, PSchulte, MCiri, CConerton, MHaavig, KKrein, KGerken, JNelson, ETomlinson, LCarroll, PMartin, EScott, KSchmitt, VWilliams, RFelkl, DLo, GCheney, PTraxler, DBlankenship, MMoya

**Chancellor’s Comments**

RCaulfield explained that SPBAC was established to increase transparency and community engagement around budget and strategic priorities. He reiterated the committee’s charge (listed at the bottom of the meeting agenda). He stressed it is important for committee members to discuss the committee’s ongoing work with their constituencies; ensuring wide engagement. This includes forwarding recommendations from the departments to the committee.

**FY17 Budget**

***Draft Operating and Capital Plans*** *–* MCiri reported that the university Board of Regents (BOR) met last week and conducted their first review of draft UA FY17 budget proposals. On the capital side, the proposal asks for $50M for facilities maintenance; of this UAS would receive $2.1M. MCiri cautioned that he does not anticipate the university will receive much funding. On the operating side, UAS’ request is a modest, restrained budget request consisting mostly of fixed costs and mandated increases. (Details on the budget proposals are posted on the SPBAC website.)

MCiri reported OMB suggested the university begin to consider budget reduction scenarios, but did not suggest anything concrete at this point in time. This information will be provided SPBAC when available.

***Revisit Strategies: Furloughs, Letters of Non-retention, 5% Hold Back*** *–* MCiri reminded SPBAC of the budget reduction strategies UAS considered (and partially implemented) including hiring freeze, furloughs, and holding back 5% non-personal services to increase carryforward funds into FY16.

VWilliams asked for an explanation of how carryforward funds were distributed. MCiri said he would provide a report to SPBAC at its next meeting. VWilliams asked whether a portion of future carryforward funds can be set aside for a rainy day so that the university can cushion the negative effects of things such as a temporary government shutdown (as the Legislature threatened last year). MCiri explained the university is looking at ways this may be possible through use of reserves.

PSchulte expressed concerns that the blanket letters of non-retention sent to all term faculty last January caused lots of unnecessary concern and frustration. RCaulfield and MCiri explained notification is driven by the amount of advance notice employees are entitled to. For faculty this is defined in the faculty collective bargaining agreements; staff notice is driven by BOR policies and regulations.

SPBAC discussed the various retirement incentive programs (RIP) which are under consideration by the legislature and university. RCaulfield shared his observations of the RIP program which was implemented by the university in the late-90s including the unfortunate loss of considerable talented faculty and staff; the negative effects of which were felt for many years.

DLo suggested the university consider, if it deploys further furloughs, that it does so in the least tax and retirement account impactful manner to employees.

**Review of BOR Four Spheres**

DLo reported that the Board of Regents is exploring ways to collapse teacher education into one statewide entity instead of the three separate Schools of Education which currently exist. PSchulte reported the alignment of GERs continues with the Math segment complete and English still in progress. She added that Developmental Education (including the possibility of outsourcing) and E-learning (including a common learning platform) continue to be considered.

**Review of Budget Request Process & Goals for Next Meeting**

MCiri reviewed the document titled, SPBAC Budget Process (Sept. 2015). He explained that it outlines the budget request and building process timelines. UAS is currently at the point where SPBAC members consult with their constituencies for proposals associated with FY18. UAS is also nearing the “reactive” phase of the FY17 budget to the BOR and governor’s actions (in November). SPBAC members were cautioned they should anticipate managing a UAS reduction in general funds of $2-3M in FY17. More details will be known over time.

RCaulfield asked SPBAC to provide feedback on last year’s budget reduction consideration process. EScott suggested we consider deciding what functions we want to consider no longer doing. (So that there is not the expectation of doing more with less.) JNelson suggested that all actions should be considered in the context of how it may affect student enrollment.

CConerton, Student Government representative, suggested that students be given the facts associated with budget reduction decisions very clearly so they can easily understand what is being done and why. This is especially important when changes directly affect them.

**Topics for Future Meetings**

* FY18 budget proposals
* Strategic Plan Metrics
* Budget Data (on highest costs at UAS)

**Next Meeting Dates and Times** – November 11th at 2:00pm