



4:07 – 4:32

**GOALS**

**ALI HAJJAFAR**

**DISCUSSION** The University Council Steering Committee asked each standing committee for its goals for the remainder of the academic year. Goals and measures should be submitted by February 28<sup>th</sup> with presentations being conducted at the March meeting.

The Committee identified "Oversight of Budget Process" as a goal with FY15 revenue projections as a starting point.

The Committee discussed "Graduate Assistant Budgets" and the need for an analysis on masters versus doctorate graduate assistants together with the redistribution of unused monies, but determined to keep this as a goal for FY16.

**QUESTIONS**

**ACTION ITEMS**

**PERSON RESPONSIBLE**

**DEADLINE**



Cummins will provide the UC-Budget & Finance report at the February 11<sup>th</sup> University Council meeting providing the committee's discussions/thinking on the charge/responsibilities of the committee and discussing its goals for the remainder of the year.

The committee discussed potential policies and procedures the group could review for improvement and discussed mid-range versus long-term planning.

**QUESTIONS** Have any recommendations been made by the UC-Budget and Finance Committee to the full University Council since its inception?

When would this committee be potentially helpful, if at all? How can this committee serve University Council?

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Search for appropriate issue briefs.	Laura Spray	
Provide PowerPoint presentation from January 27 <sup>th</sup> Finance Committee meeting along with talking points for the February 11 <sup>th</sup> University Council meeting.	David Cummins	

# Budget and Finance

## MINUTES

FEBRUARY 18, 2014 2:30 – 4:00 P.M.

MEETING CALLED BY	Ali Hajjafar
TYPE OF MEETING	Regular
FACILITATOR	Ali Hajjafar
NOTE TAKER	Laura Miller-Francis
ATTENDEES	Cummins, David; Hajjafar, Ali; Lee, Matthew; Gilliland, Amy; Haritos, George; Kelly, Graham; Spray, Laura; Kaye, Joan; Sedlock, Steve; Shamima, Jahan

### Agenda topics

**3:00 – 3:05 APPROVAL OF MINUTES/AGENDA ALI HAJJAFAR**

DISCUSSION	Agenda was accepted and approved. Minutes will be approved at the February 25 <sup>th</sup> meeting. Meeting adjourned at 4:00 p.m.
	Next meeting is scheduled for Tuesday, February 25 <sup>th</sup> at 2:30 p.m. in Buchtel Hall McCollester Conference room.

**3:05 – 3:50 CHAIR MEMO TO PROVOST ALI HAJJAFAR**

DISCUSSION	All Deans/VPs have been met with personally, have been given their FY15 numbers, and were asked to build a budget stating any ramifications from the number given.	
	Department chairs feel another round of cuts to the academic units will be “catastrophic” and will not be in the best interest of the students. The chairs believe all cuts should be analyzed by the UC-Budget and Finance Committee before going to the Deans, creating an opportunity for the chairs to weigh in making cuts more strategic. For the sustainability of the institution, department chairs should weigh in looking for ways to balance the budget without harming revenue. It is the understanding of the department chairs that this Committee doesn’t make policy decisions; therefore, they are requesting a meeting with Provost Sherman and the Board of Trustees, if need be.	
	The CFO receives direction from the Board of Trustees. The summaries that have been provided to this Committee have been conceptual; actual numbers were not shared with the committee. Concerns were expressed as to whether this committee could objectively evaluate specific cut amounts. However, the committee agrees that chairs should have input into the decisions made at the college level to develop a balanced budget. The Committee inquired into what the department chairs proposed as an alternative process for balancing the budget and requested their suggestions.	
	The Committee inquired into when the budget reduction numbers for each Dean/VP will be provided to everyone in accordance with a statement made by Provost Sherman.	
	The Committee discussed the direction of the University, its mission and priorities and identified that the institution is at a crossroads and the essential functions of the University together with its direction needed to be determined in order to generate revenue and graduate students while maintaining the University’s reputation.	
QUESTIONS	How much of the \$15 million budget cut goes to academic versus non-academic?	
	Who decides the cut amounts for each Dean/VP? What model is used? What are auxiliaries cut?	
	What is going to be learned by this exercise that hasn’t been learned from Program Review?	
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Provide revenue by college for FY11 – FY13 and revenue as a whole for FY08 – FY13.	Amy Gilliland	
Provide budget reduction numbers for each Dean/VP to the Committee.	David Cummins	

3:50 – 4:00

**GOALS**

**ALI HAJJAFAR**

<b>DISCUSSION</b>	The Committee discussed goals for the remainder of the year and agreed upon an open forum to discuss the current fiscal condition of the University summarizing the budget process. Another goal discussed was tuition guarantee analysis.	
The Committee selected to meet again next Tuesday, February 25 <sup>th</sup> to continue the goals discussion.		
<b>QUESTIONS</b>		
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>

# Budget and Finance

## MINUTES

FEBRUARY 25, 2014 2:30 – 4:00 P.M.

MEETING CALLED BY	Ali Hajjafar
TYPE OF MEETING	Regular
FACILITATOR	Ali Hajjafar
NOTE TAKER	Laura Miller-Francis
ATTENDEES	Cummins, David; Hajjafar, Ali; Lee, Matthew; Gilliland, Amy; Haritos, George; Kelly, Graham; Spray, Laura; Kaye, Joan; Sedlock, Steve  Guest: Sherman, Mike

### Agenda topics

**2:30 – 2:35 APPROVAL OF MINUTES/AGENDA ALI HAJJAFAR**

DISCUSSION	Agenda was accepted and approved with addition of budget update. Minutes of February 4 <sup>th</sup> were approved. Minutes of February 18 <sup>th</sup> were approved with amendment of action item. Meeting adjourned at 4:18 p.m.
Next meeting is scheduled for Tuesday, March 18 <sup>th</sup> at 3 p.m. in Buchtel Hall McColleston Conference room.	

**2:35 – 3:30 GOALS ALI HAJJAFAR**

DISCUSSION	The Committee discussed its possible goals for the remainder of the fiscal year and unanimously voted to accept FY15 Budget Development, Guaranteed Tuition, Open Forum Presentation, Summer Plateau, and Revenue Yield as the goals the Committee will work on. The goals will be written up and emailed to Laura for preparation in memo format to be submitted to Haverkamp by Friday, February 28, 2014.	
The Committee discussed mid-range planning in addition to differential tuition as additional topics that could eventually be added as possible discussion topics/goals. Utilizing differential tuition for certain programs could possibly offset some of the necessary budget cuts. The suggestion was made to add two goals to the agenda to be discussed each meeting date.		
The Committee discussed the deadline for the 2014-15 faculty certificate of appointment letters (PAFs and approvals due to HR by April 4, 2014) and inquired into whether or not this Committee would be able to have appropriate dialogue and input at each meeting to make budget cut recommendations for the April 23 <sup>rd</sup> BOT meeting. A recommendation was made to check with General Counsel and HR on the appropriate deadlines for tenure track faculty versus non-tenure track faculty and if six month notice applies as it does to contract professionals. The Committee discussed its concerns on having sufficient discussions/time to analyze data in order to meet the deadline for BOT material submission date (mid-March).		
Starting point numbers given to each VP/Dean were provided to the Committee and revisiting size of cuts to see if the cuts were adjustable was discussed as was the budget model used and identification of strategic programs to invest in per input from the Office of Academic Affairs.		
QUESTIONS	Have deans been asked to make strategic cuts with program review in mind?	
Is the University aligning PR recommendations with budget cuts?		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

<b>DISCUSSION</b>	<p>The PowerPoint presentation discussed at this morning's Council of Deans meeting was provided to the Committee. The need for revenue to exceed expenses was explained together with the University's falling SB6 ratio (the state's measure of financial viability) which is falling from 3.0 to 2.8 (1.75 equals fiscal emergency).</p> <p>The assumptions/process used to arrive at starting point numbers was explained together with the need to reallocate \$15 million due to decline in enrollment and strategic priorities. Additional meetings with each VP/Dean are being scheduled and feedback from those meetings will be shared with this Committee.</p> <p>Revenue opportunities were discussed along with differential fees. It was suggested that differential fees be called distinction fees to avoid misunderstandings.</p> <p>The Committee discussed the perception that cuts are falling on units that make a lot of money and the unfairness of cut percentages to academic units versus academic support units. Inquiry was made as to whether chairs understand each college's real ROI and whether GAs, tuition remission, overhead, etc. are taken into consideration and whether the University was right sized. The need to analyze data and understand total picture by this Committee would help to defuse the perception of unfairness.</p> <p>The Committee discussed what constitutes/comprises student success.</p>	
<b>QUESTIONS</b>	<p>Can the University capitalize on associate degrees due to change in SSI? What is subsidy to athletics above the GF earmarked fees?</p> <p>What is the rationale on the \$2 million increase in scholarships? Is there a model to tell us the number of students per scholarship dollar levels? How many students does the University gain with increase of scholarships?</p>	
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
Review data (6 year spending history along with starting point numbers) and send questions to Amy.	All	
Invite Tressel to March 18 <sup>th</sup> meeting to discuss student success/increase in scholarship dollars and Sherman to April 1 <sup>st</sup> meeting to discuss achieving distinction.	Cummins	



# Budget and Finance

## MINUTES

MARCH 18, 2014

3:00 – 4:30 P.M.

MEETING CALLED BY	Ali Hajjafar
TYPE OF MEETING	Regular
FACILITATOR	Ali Hajjafar
NOTE TAKER	Laura Miller-Francis
ATTENDEES	Cummins, David; Hajjafar, Ali; Lee, Matthew; Gilliland, Amy; Haritos, George; Spray, Laura; Kaye, Joan; Kerr, Nathan  Guest: Sherman, Mike; Tressel, Jim; Thorpe, Laurie

### Agenda topics

**3:00 – 3:05 APPROVAL OF MINUTES/AGENDA ALI HAJJAFAR**

DISCUSSION	The agenda was accepted and the minutes were approved. The meeting adjourned at 4:55 p.m.
	Next meeting is scheduled for Tuesday, April 1 <sup>st</sup> at 2:30 p.m. in Buchtel Hall McCollester Conference room.
	Recommendations for future agenda topics include planning for retirements in FY15 (what is the University's expectations or plan for these retirements?) and review of the University's financial statements (with a possible presentation by John Kovatch).

**3:05 – 4:05 STUDENT SUCCESS JAMES TRESSEL**

DISCUSSION	A presentation was given on the increase in scholarship dollars together with the merits used to determine said increase. A study conducted by Scannell & Kurz, consultant to the University, indicated that the University's return on investment was poor by awarding large scholarships to a small percentage of students (honors students = 9%; general award = 21%; and no institutional award = 71%). This equates to too much money being spent on too few students.	
	For the entering class of fall 2014, changes have been made to increase net tuition revenue, to attract a more talented diverse class of students the University would not otherwise have, and to offset competitor outbidding of a select group of admits with high GPAs and ACT of 20 and 21. Scholarship caps equal \$9,500 + potential of \$2,000 honors housing award = \$11,500 or \$7,500 + potential of \$5,000 Choose Ohio First (STEM) = \$12,500.	
	Scholarship eligible admits for the 2014 entering class are 6,240 with 1,139 confirmed (18.25% yield) which is an 11.1% increase from 2013 and a 19.5% increase from 2012.	
	Financial aid drivers (financial aid, scholarships, or cost a significant factor) have a huge impact on underrepresented students. Investing \$2,500/student for 300 underrepresented students who would not otherwise have been enrolled would produce \$1.9 million in revenue for the freshman year.	
	To help offset competitor bidding, \$1,000 scholarship awards will be increased by \$500 (\$1,500) for 21 ACT + 3.5 to 3.69 GPA students and \$1,000 scholarship awards to 20 ACT + 3.5 and higher GPA students (present level = zero). This will help to increase the yield and thus return on investment.	
QUESTIONS	Is scholarship performance tracked in order for students to keep their scholarships? Has the University studied the requirements for maintaining scholarships at other institutions?	
	In regard to the scholarships for underrepresented students, what was the basis for the 70% retention rates?	
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

4:05 – 4:55

**GOALD – OPEN FORUM PRESENTATION  
UPDATE**

**DAVID CUMMINS**

<b>DISCUSSION</b>	A list of topics for the open forum presentation was provided to the Committee for review and discussion.	
Each member provided possible questions to be answered during open forum presentation (see below).		
The Committee was provided with a FY02-FY13 auxiliary support table. A recommendation was made to breakout the FY13 numbers to show how much of the debt is paid by the facility fee.		
<b>QUESTIONS</b>	How did we get where we are? Why can money be spent in one area, but not another; what's fungible? How do we make cuts that won't hurt revenue? Explain different data sources (Quick Facts) so differences in reporting are understood. How are stipends, tuition remission, and travel for graduates competitive with other institutions and how do we keep it ongoing? Is the University balanced (revenue vs. expenses)? What is the University's situation on reserves? Is it sufficient? If not, how does the University plan to get there?	
How hard is the University looking at expenses? Are we working as hard to cut expenses as we are to increasing revenue? Why can some units/colleges spend without scrutiny while others are closely monitored? Did any unit/college have a substantial surplus last year? How can individuals not understand how bad the budget situation is? What is the University's long-term solution?		
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
Provide feedback to Cummins on list of topics for open forum presentation.	All	
Breakdown the auxiliary support table to show operation/debt numbers.	Amy Gilliland	

# Budget and Finance

## MINUTES

APRIL 1, 2014

2:30 – 4:00 P.M.

MEETING CALLED BY	Ali Hajjafar
TYPE OF MEETING	Regular
FACILITATOR	Ali Hajjafar
NOTE TAKER	Steve Sedlock
ATTENDEES	Cummins, David; Hajjafar, Ali; Lee, Matthew; Gilliland, Amy; Haritos, George; Spray, Laura; Kaye, Joan; Sedlock, Steve; Shamima, Jahan; Sherman, Mike

### Agenda topics

2:32 – 2:37

#### APPROVAL OF MINUTES/AGENDA

ALI HAJJAFAR

DISCUSSION	Agenda was accepted and approved. Minutes approved pending clarification under Questions on page 1 to add 70% and 100% for scholarships for underrepresented students.

2:37 – 3:06

#### ACHIEVING DISTINCTION

PROVOST SHERMAN

DISCUSSION	Achieving Distinction is strategic allocation strategy from the Board of Trustees with \$2M every fiscal year. So far we have invested in two projects: Biomimicry and a joint proof-of-concept/commercialization.	
	This initiative would link to partnerships in the region. The initial investment of .5% percent of the general fund would grow to about 5 percent in ten years. Right now, if the initiative is net new, it could generate significant research funding for the University over the next 10 years. This was one of the initiatives that led to the Vision 2020 goal of \$200 million of research funding.	
	Over the last year, activities directly or indirectly related to the two projects funded: Commercialization and proof-of-concept leveraged \$600K and the initiative just hired director and assistant director. Biomimicry initiative leveraged about \$3M and is launching mini-grants around campus.	
QUESTIONS	Why build \$3M into FY15 when expenses won't occur until FY16?	
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
What is the process of this committee to make recommendations or endorsements on proposed allocations of \$2M for scholarships and \$3M for Achieving Distinction?	Committee	

3:06 – 3:27

**REVIEW AUX REVENUE AND EXPENSES**

**DAVID CUMMINS**

<b>DISCUSSION</b>	Just over \$35M in transfers in FY13 for Aux units out of general fund. All but \$8 million came from designated sources – the General Services and Facilities fees. In addition, most of the University's annual debt payments of over \$30M are covered by Auxiliaries.	
	There are some policy questions about how costs are applied to grants - salary in part or full - this could alleviate spending in the general fund.	
<b>QUESTIONS</b>		
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>

3:27 – 4:09

**PRACTICE BUDGET FORUM PRESENTATION**

**DAVID CUMMINS**

<b>DISCUSSION</b>	The Committee reviewed the draft presentation for the open budget forums. Feedback was provided.	
	Next meeting is scheduled for Tuesday, April 15 at 2:30 p.m. in Buchtel Hall McColleston Conference room.	
<b>QUESTIONS</b>		
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>

# Budget and Finance

## MINUTES

APRIL 15, 2014

2:30 – 4:00 P.M.

MEETING CALLED BY	Ali Hajjafar
TYPE OF MEETING	Regular
FACILITATOR	Ali Hajjafar
NOTE TAKER	Laura Miller-Francis
ATTENDEES	Cummins, David; Hajjafar, Ali; Lee, Matthew; Gilliland, Amy; Haritos, George; Spray, Laura; Kaye, Joan; Kerr, Nathan; Sedlock, Steve; Shamima, Jahan  Guest: Sherman, Mike

### Agenda topics

**2:30 – 2:35 APPROVAL OF MINUTES/AGENDA ALI HAJJAFAR**

DISCUSSION	The agenda was accepted and approved. The minutes were approved as corrected. The meeting adjourned at 4:00 p.m.
	Two additional meetings were scheduled. The next meeting is scheduled for Tuesday, April 22 <sup>nd</sup> at 2:30 p.m. in Buchtel Hall McCollester Conference room.
	Inquiry was made into whether or not an announcement would be made regarding a possible basketball arena.

**2:35 – 2:40 GOAL – OPEN FORUM REACTION ALI HAJJAFAR**

DISCUSSION	The Committee provided feedback on today's presentation and praised its success. The presentation stayed within the allotted timeframe and will take place again on Thursday, April 17 <sup>th</sup> at 1 p.m. in the Student Union Theatre.	
	Thursday's presentation will be recorded and posted on the University's webpage for viewing by those unable to attend the forum.	
QUESTIONS		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

**2:40 – 4:00 GOALD – FY15 BUDGET DEVELOPMENT DAVID CUMMINS**

DISCUSSION	The Committee reviewed the starting point assumptions. After detailed discussion, the recommendations on the attached table were agreed upon by the Committee.
	The \$9m allotted to the tuition shortfall (assuming a 4% enrollment decline) was agreed upon with adjustments to be made when enrollment is "firmed-up."
	In regard to restoring the one-time reductions for Achieving Distinction, Wayne College overhead, and interest on debt, the Committee recommended holding the Achieving Distinction pending reconciliation of the FY15 budget planning process, to reduce Wayne College overhead, and to pay interest on debt.

The Committee recommended holding the \$2m increase in scholarships pending reconciliation of the FY15 budget planning process.

The Committee agreed to the recommendation to increase student doubtful accounts (\$1m) and requested a rationale for the \$0.5m for student recruitment from Laurie Thorpe/Wayne Hill. The Committee also agreed with the negotiated contract salary adjustments of \$1.5m.

The Committee agreed with the recommendation to freeze associate level tuition at Summit and Wayne Colleges. The Committee also agreed with the recommendation to freeze the School of Law tuition. A recommendation was made to request a presentation from the School of Law relating to scholarship ROI.

The CFO walked the Committee through the proposed budget cuts for the School of Law, College of Engineering, and University Libraries. Some reductions will be offset by the repurpose of building funds (\$800,000) for the School of Law, increase in co-op service fees (\$70,000) and creation of program fee for fall/spring (\$600,000) for the College of Engineering, and the re-directing of Tech Fees (\$200,000) for University Libraries. Other unit/college proposals will be discussed at the next Committee meeting.

<b>QUESTIONS</b>	Do we need to keep the \$3m for Achieving Distinction since it is not being spent in FY15? Is the \$3m in FY15 for the start of FY16? Has the \$2m in scholarships been assigned yet?
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If Summit College became like Wayne College, would it have its own budget? What effect would it have? What is our competition and is the University losing students from Summit to Stark?

What is the dollar amount for the School of Law building project and what amount has been set aside for the project from the tuition increase?

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Provide strategic investment and revenue vs. expenses for next meeting.	Cummins	
Provide rundown of college budget meetings.	Cummins	
Request rationale for \$0.5m student recruitment and request presentation from SOL on scholarship ROI.	Cummins	

# Budget and Finance

## MINUTES

MAY 20, 2014

2:30 – 4:30 P.M.

MEETING CALLED BY	Ali Hajjafar
TYPE OF MEETING	Regular
FACILITATOR	Ali Hajjafar
NOTE TAKER	Laura Miller-Francis
ATTENDEES	Cummins, David; Hajjafar, Ali; Lee, Matthew; Haritos, George; Sedlock, Steve; DeBord, Angela; Spray, Laura; Tuesday, Caroline  Guests: Raybuck, Diane; Thorpe, Lauri; Landis, Greg; Ellis, Michelle; Sherman, Mike

### Agenda topics

**2:30 – 2:36 APPROVAL OF MINUTES/AGENDA ALI HAJJAFAR**

DISCUSSION	Approval of meeting minutes from April 22 and April 29 will be approved at next meeting.
	The Committee recommended monthly meetings throughout the summer. The next two meetings are scheduled for Tuesday, June 3 <sup>rd</sup> and Tuesday, July 1 <sup>st</sup> at 2:30 p.m. in Buchtel Hall McColleston conference room.

**2:36 – 3:46 REVISED FY15 ALLOCATIONS / SCHOLARSHIP INITIATTIVES LAURI THORPE**

DISCUSSION	Based upon the information obtained from the Scannell & Kurz study and the changes made to the University's scholarship awards, it was reported that there has been no negative impact by the scholarship cap. In fact, the University has obtained better qualified students to the Honors College and helped students who would not have received scholarships which helped the University obtain more students.
	\$10,500 was cap for fall 13 and those students are grandfathered. \$9,500 is new cap for students starting fall 2014.
	Refer to handouts: <ul style="list-style-type: none"> <li>• 'Fall 2013 Scholarship Eligible Admits to Confirms' (dated 5-6-13)</li> <li>• 'Fall 2013 Scholarship Eligible Admits to Confirms' (CENSUS)</li> <li>• 'Fall 2014 Scholarship Eligible Admits to Confirms' (5-7-14)</li> </ul>
	Scholarship awards started going out sooner for fall 2014 (in November 2013) with admission packets and included scholarship offers up front.
	The Committee was informed an additional \$2M in scholarships was already offered to students before its recommendation was presented to the University Council and administration. The Committee discussed the need to understand the distribution of enrollment growth and the potential cost impact as well as revenue. For instance, we must plan for the cost of specialized space as enrollment increases in certain areas and must also look at SSI in conjunction with cost of instruction of major, possibly rather than average SSI.
	With an anticipated additional \$2.5M (approx.) in SSI, it is the recommendation of the Committee to allocate the \$2M back to scholarships and reassess in the fall when enrollment is set and the OBR recalculates SSI earnings for the remainder of FY 2015.
QUESTIONS	How was the Honors College scholarship award reduced from \$2,770 to \$642? What are the criteria for scholarships for students not in Honors College? Are there other criteria besides academic the University should consider for scholarships? How should we proceed with underrepresented students who meet criteria?
	Is an analysis being conducted on the results of the new scholarship procedures and constant number of students to determine what will be the impact on the general fund? How can the University predict delta to revenue?

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

**3:46 – 3:59**

**FY15 BUDGET UPDATE**

**DAVID CUMMINS**

<b>DISCUSSION</b>	University Council supported, by 96%, the recommendation of the Budget and Finance Committee. The only change anticipated would be to the scholarship line. There are no major changes to the academic or academic support sides.
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Summer enrollment is down five percent resulting in approximately \$1M in revenue loss. Fall enrollment is flat compared to registration activity at this time last year.

<b>QUESTIONS</b>	Does transfer credits affect decline in summer enrollment?
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ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

**3:59 – 4:03**

**ELECTION OF OFFICERS**

**DAVID CUMMINS**

<b>DISCUSSION</b>	Introductions were made to new members. Nominations were requested for the election of officers. Matt Lee nominated Ali Hajjafar as co-chair; seconded by Dean Haritos. Matt Lee nominated Steve Sedlock as secretary; seconded by Dean Haritos. Both voted unanimously. The position of vice-chair will be discussed at the next Committee meeting.
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<b>QUESTIONS</b>	
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ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE



# Budget and Finance

## MINUTES

JUNE 3, 2014

2:30 – 4:00 P.M.

MEETING CALLED BY	Ali Hajjafar
TYPE OF MEETING	Regular
FACILITATOR	Ali Hajjafar
NOTE TAKER	Laura Miller-Francis
ATTENDEES	Cummins, David; Hajjafar, Ali; Kaye, Joan; Lee, Matthew; Haritos, George; Sedlock, Steve; DeBord, Angela; Spray, Laura; Tuesday, Caroline; Kotch, Kelly  Guests: Sherman, Mike

### Agenda topics

**2:30 – 2:43** **APPROVAL OF MINUTES/AGENDA** **ALI HAJJAFAR**

DISCUSSION	Approval of meeting minutes from April 22, April 29, and May 20.  May 20 minutes amended to reflect Budget and Finance Committee is not reconsidering additional \$2M for scholarships, but rather the committee was informed an additional \$2M was already spent before the committee provided its recommendation to the University Council and administration. All minutes approved.
Next meeting is scheduled for Tuesday, July 1, 2014 in Buchtel Hall McCollester conference room.	

**2:43 – 2:44** **ELECTION OF VICE CHAIR** **ALI HAJJAFAR**

DISCUSSION	Joan Kaye was nominated by Matt Lee, seconded by George Haritos. No other nominations. Approved.
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**2:44 – 4:00** **FY15 BUDGET UPDATE** **DAVID CUMMINS**

DISCUSSION	Cummins presented the budget PowerPoint presentation that was given to the Finance & Administration Committee of the Board of Trustees at its June 2 <sup>nd</sup> meeting.	
As of June 2 <sup>nd</sup> , total enrollment for fall '14 is down approximately 1.7 percent. Committee agrees that this is the time the University needs to decide areas of strategic investment for revenue going forward. Once fall numbers are confirmed, the Committee will discuss possible changes to proposed budget and make recommendations, if any, to the full University Council Committee to assist the administration with decisions.		
Deferred maintenance is being noticed with emergency work on high-temperature hot water connections at the Rec Center and Bierce Library. Repairs combined approaching \$1M, essentially depleting the physical facilities contingency fund. Since infrastructure was mostly left alone during the New Landscape for Learning improvements, it was asked if the University has resources to address maintenance of other facilities built during the same time (Honors, Simmons Hall, Student Union) for similar issues.		
QUESTIONS	Is the data related to state support from the PowerPoint for four year institutions or all institutions? What is status of assumption for fall enrollment? How does summer enrollment factor in?	
Do you have plans for additional dollars if there is a change in enrollment? What will be the impact on the SB 6 score from using one-time dollars?		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Request Capital Planning to discuss deferred maintenance preventative plan with Committee.	David Cummins	

# Budget and Finance

## MINUTES

JULY 1, 2014

11:01 A.M. - 12:28 P.M.

MEETING CALLED BY	Ali Hajjafar
TYPE OF MEETING	Regular
FACILITATOR	Ali Hajjafar
NOTE TAKER	Laura Miller-Francis
ATTENDEES	Cummins, David; Hajjafar, Ali; Lee, Matthew; Haritos, George; Sedlock, Steve; Spray, Laura; Tuesday, Caroline; Kotch, Kelly; Kaye, Joan Guests: Sherman, Mike

### Agenda topics

11:01 – 11:04

APPROVAL OF MINUTES/AGENDA

ALI HAJJAFAR

DISCUSSION	Minutes were approved as written.	
	Next meeting is scheduled for Tuesday, September 2, 2014 at 2:30 p.m. in Buchtel Hall McCollester Conference Room.	
	Final counts for FY14 were added as new business. The Committee inquired as to whether colleges/units met budgets or were there deficits. Add topic to future meeting.	
QUESTIONS		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

11:04 – 11:11

FY15 BUDGET UPDATE

DAVID CUMMINS

DISCUSSION	For the second week in a row, credit hours for fall year-over-year to date is down about 1.3%.	
	Summer 2014 credit hours are down about 4.1% and head count down about 5.5%.	
	Fall head count is off by more, but the gap is closing. May be down 2.9% from last fall. Students are taking heavier credit hour loads.	
QUESTIONS	Is retention rate getting better? Is the University retaining more students or obtaining new students?	
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE

11:11 – 12:03

GOAL – GUARANTEED TUITION

DAVID CUMMINS

<b>DISCUSSION</b>	The Committee determined that if the University froze current tuition rates and incorporated a tuition guarantee, the University would, in fact, lose money. If tuition was increased to account for no future increases, the University may look artificially more expensive than other universities. Students that do not complete may actually pay more for the hours they earn in this scenario. Administrative costs can be high especially if the guarantee is optional for students rather than a requirement for all incoming students.	
The Committee agreed that it needed to think more creatively to promote institutional goals. Instead of freezing tuition/locking rates, the Committee discussed different ways to incentivize completing degrees sooner. Perhaps rewarding students for making good progress by offering discounts next semester.		
ZipStart and the new scholarship structure are more beneficial to students than a tuition guarantee.		
<b>QUESTIONS</b>	What is the fiscal impact to the University by providing a tuition guarantee? Should we look at ways of discounting tuition outside of additional scholarship?	
How are we doing with ZipStart year-over-year?		
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
Motion to not move forward with a tuition guarantee was made and seconded. Motion approved.		

12:03 – 12:30

GOAL – SUMMER PLATEAU

DAVID CUMMINS

<b>DISCUSSION</b>	Summer plateau has not been looked at further by CFO since last discussion. Since the University is pushing Finish-in-Time, this could be counterproductive to that initiative.	
The Committee agreed to table summer plateau until next year. This will allow the Committee to wait for metrics of other initiatives implemented to see how well they are progressing.		
<b>QUESTIONS</b>	What academic behaviors do we need to change to become more economical and to increase revenue?	
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>

# Budget and Finance

## MINUTES

SEPTEMBER 2, 2014 10:30 – 12:00

<b>MEETING CALLED BY</b>	Ali Hajjafar
<b>TYPE OF MEETING</b>	Regular
<b>FACILITATOR</b>	All Hajjafar
<b>NOTE TAKER</b>	Laura Spray
<b>ATTENDEES</b>	Cummins, David; Hajjafar, Ali; Lee, Matthew; Spray, Laura; Kaye, Joan; Stratis, Anthony; Tuesday, Caroline Guests: Sherman, Mike

### Agenda topics

10:30 – 10:36

**APPROVAL OF MINUTES/AGENDA**

**ALI HAJJAFAR**

<b>DISCUSSION</b>	Minutes and agenda were approved as written.	
<b>QUESTIONS</b>	When will the UC-Budget Faculty Senate member be appointed?	
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
UC Budget will meet every two weeks (the first and third Tuesday) at 2:30. Please schedule rooms.	Laura Miller-Francis	
Set proposed agenda items for all the following meetings.	All Hajjafar & David Cummins	

10:36 -

**FY15 BUDGET UPDATE**

**DAVID CUMMINS**

<b>DISCUSSION</b>	Figures shared last week showed Fall 2014 Credit Hours down about 1%. Head count down about 3%. Note the FY14 budget was submitted with an estimated decrease of 4%. Summer 2014 was down about 4%. There was overspending in scholarships of approx. 2M. It is hoped that with enrollment ahead of the budget plan revenue will be slightly greater than budgeted. The budget department continues to work with a few units to firm up their reductions. We'll see a first quarter report once we close out September.	
<b>QUESTIONS</b>	Might the time and numbers of drops be an issue?	
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>

**PRESIDENTIAL TRANSITION**

**DAVID CUMMINS**

<b>DISCUSSION</b>	The budget department now reports to the President. The President is reviewing spending in detail working with the budget department. His goal is to have this completed in three months. They just finished the academic support areas and are working on the academic areas now.	
	The CFO has had discussions with the Budget Director and plans are for her to attend the UC-Budget meetings when we start working on the FY16 budget. The President did indicate that the CFO would continue to Co-Chair this committee.	
	The CFO with others are working on a long term analysis using the sustainable economic model - eight measures. The five year plan will focus on improvement of these eight measures, and the FY14 audit statement will be used as the starting place. These measures have been addressed in the President's presentations - <a href="http://www.cralnscleveland.com/article/20140727/SUB1/307279978/new-president-boosts-university-of-akrons-financial-mood#">http://www.cralnscleveland.com/article/20140727/SUB1/307279978/new-president-boosts-university-of-akrons-financial-mood#</a> .	
	You can read additional articles on the President's web pages – In the News. <a href="https://www.uakron.edu/president/in-the-news.dot">https://www.uakron.edu/president/in-the-news.dot</a>	
<b>QUESTIONS</b>	Will timing be a problem with the employment of faculty and GAs for Fall 16? The Provost didn't think so, considering that the faculty budget will be based on their <i>Critical Needs</i> requests. The goal for releasing GAs funds is to release as early as possible for planning purposes along with part-time and summer faculty allocations.	
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>

**PRELIMINARY FY14 FINANCIAL STATEMENTS**

**DAVID CUMMINS**

<b>DISCUSSION</b>	The FY14 audited financial statement will be presented to the December board meeting.	
	Not finalized, but FY14 financial statement looks positive. Better than FY13.	
	Depreciation was extensively discussed.	
	There was a discussion over the use of carryover funds and the need to identify the use of this one-time dollar source for a specific need at the beginning of the fiscal year. There was a concern that any change to the current practice needs to be properly communicated. Especially in the area of IDC's in regard to research.	
<b>QUESTIONS</b>	Questions from employees have been raised as to the explanation of cash on the expense vs revenue columns in the financial statement.	
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
An audited financial statement will be sent to the UC Budget committee for discussion at a future UC budget meeting. To explain the cash and depreciation discussions.	David Cummins	

**? – 11:45**

**GUARANTEED TUITION**

**DAVID CUMMINS**

<b>DISCUSSION</b>	The CFO and Committee Chair sent this committee's recommendation to not move forward with a tuition guarantee program to the UC Steering and did a short presentation at the UC meeting.	
<b>QUESTIONS</b>		
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
The UC presentation will be forwarded to the UC Budget Committee.	David Cummins	

# Budget and Finance

## MINUTES

SEPTEMBER 16, 2014 2:30 – 4:00

<b>MEETING CALLED BY</b>	All Hajjafar
<b>TYPE OF MEETING</b>	Regular
<b>FACILITATOR</b>	All Hajjafar
<b>NOTE TAKER</b>	Laura Miller-Francis
<b>ATTENDEES</b>	Cummins, David; Hajjafar, Ali; Lee, Matthew; Spray, Laura; Kaye, Joan; Kotch, Kelly; Tuesday, Caroline; Sedlock, Steve Guests: Sherman, Mike; Kovatch, John; Brett, Riebau

### Agenda topics

2:30 – 2:33

**APPROVAL OF MINUTES/AGENDA**

**ALI HAJJAFAR**

<b>DISCUSSION</b>	Agenda was approved as written. Minutes were approved as corrected; adding of Caroline Tuesday to attendees.	
<b>QUESTIONS</b>		
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>

2:33 – 3:40

**FY13 AUDITED FINANCIAL STATEMENTS**

**ALI HAJJAFAR**

<b>DISCUSSION</b>	Kovatch and Riebau attended meeting providing members with copies of the June 30, 2013 Financial Report with Supplemental Information. A PowerPoint presentation was provided with background information.	
	The Committee discussed whether a representative from the UA Research Foundation should attend a future meeting to discuss the Research Foundation's financial statements – specifically "Separately Budgeted Research."	
<b>QUESTIONS</b>	What constitutes debt reserves under Plant Funds on Slide 5? Do we have a slide similar to Slide 5 which provides dollar amounts? On average, what is uncollected revenue?	
	Are component unit employees paid from general fund? What is \$14m in current liabilities for Foundation? Where do we show fee waivers? How much of the general fund supports each foundation? How much revenue does the University get from each foundation? Are they costing the University money?	
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>
Report back to committee more information regarding funds received from component units – UA Foundation and Research Foundation.	David Cummins and Ali Hajjafar	

<b>DISCUSSION</b>	Faculty has inquired to Committee members why colleges cannot hire replacements for individuals who retire/separate from the University since the University has managed to balance the budget. The preservation of full-time faculty is important to the University's future, and the funds are within allocations given to colleges. Therefore, some feel the colleges should be able to replace/fill critical needs.	
We do not know for sure whether or not the budget is balanced for next fiscal year. It is not 100% sustainably balanced if enrollment continues to decline. Not every college has met its reductions. The BOT needs to approve all hiring/replacement of positions. The University has a new president who is currently learning the finances of the University.		
After discussion, the Committee feels that revenue predictions for FY 16 should be made as soon as possible.		
<b>QUESTIONS</b>	When can enrollment be verified? What percentage of positions should be replaced?	
When will drops occur and what is the University's bad debt prediction? Is there a process/plan students agree to?		
<b>ACTION ITEMS</b>	<b>PERSON RESPONSIBLE</b>	<b>DEADLINE</b>

<b>DISCUSSION</b>		
<b>QUESTIONS</b>		