

Budget Committee
August 15, 2013
11:00 a.m. – 1:00 p.m.
1800 Grant Street, Denver Conference Room

Meeting Minutes

Attending: Gary Coleman, Dean Taylor, Bruce Neumann, Christopher Koizol, Geoff Barsch, Isabella Muturi Sauve, Melinda Piket-May, Dale Deboer

On the phone: Fernando Riosmena

September Meeting

The committee rescheduled the next meeting from September 19th, to September 12, 2013.

Regent Update, Geoff Barsch

Geoff shared the results of the recently held Regent elections and committee assignments, noting that Regent Neguse will chair the Budget & Finance committee with Regent Geddes serving as vice-chair.

Following this report, Chair Neumann expressed disappointment that Regent Geddes had not responded at all to his invitation to attend the Budget committee meetings. He added that it was unacceptable for a Regent not to respond to a faculty governance leader over the course of 9 months.

Geoff went on to report that the Regents had discussed the topic of academic prioritization during their July meeting and asked the chancellors to provide examples of what academic prioritization could look like for CU. The report will be presented at the September Board of Regents meeting. The committee went on to discuss academic prioritization, including what it would mean for CU. The committee went on to discuss different aspects of academic prioritization.

Geoff also reported that the Board of Regents was interested in technology and data on MOOCs from Coursera to determine if Coursera's model should be expanded or pursued by CU. He added that data will be available starting in September.

Budget & Finance Update, Geoff Barsch

Geoff reported that the Regents had passed the AY14/15 budget without conversation or comment and liked its format. The budget included mandated costs for the upcoming year and the cost drivers for any new initiatives. Geoff went on to discuss the budget planning process for FY 2014-15 and noted that the Regents have expressed an interest in multi-year budget projections. He added that they had agreed to do a one year resolution with a multi-year projection.

Responding to this report, chair Neumann noted that VP Saliman had committed to involving the faculty in some planning sessions for the multi-year budget and asked if any of such sessions had occurred. Geoff responded that members of the strategic planning committee are interested in the multi-year budget planning. The committee is expected to become more engaged and involve faculty as the budgeting progresses.

Chair Neumann requested that the chair of the faculty council follow up with VP Saliman on the status of the commitment to involve faculty in the multi-year budgeting process. Geoff went on to note that VP Saliman would like to meet with Melinda before every Regent meeting to obtain any updates from the Faculty Council.

New VP for Advancement, Geoff Barsch

Geoff reported that a new vice president for advancement has been hired effective September 1, 2013. He went on to discuss the new position, including its administrative role and reporting functions.

State Budget, Geoff Barsch

Geoff reported that the June revenue forecast report was stronger than expected. The additional revenues will be allocated to the State's education fund at the end of the year. He added that CU is using a multi-pronged approach to pursue funding, which includes capital, operating and financial aid funds.

Following this report, members asked whether any of the additional funding to be allocated demand a specific commitment from the state. Geoff responded that the Governor and legislature had discussed this issue and that Senate Bill 3 in the 2010 legislative session gave CU a 5 year window flexibility on tuition, so the FY15 is the last budget where CU can have unfettered tuition increases of up to 9% or more with CCHE's approval. Following this, CU will go back to a legislative appropriated tuition pool.

Salary & Equity Committee Update, Melinda Piket-May

Melinda reported that the Salary & Equity Committee will be suspended in AY13-14 and that a graduate student will be hired to review and analyze data collected from the data already received. She went on to note that the Board of Regents was conducting its own climate survey and the Salary & Equity committee's survey would be put on hold until the Regents survey had been completed. She welcomed input from committee members on strategies to analyze data. She also noted that the committee may be reconvened as need arises.

Following this report, the committee asked to view data sent from the Denver campus. Melinda indicated that she would seek permission from the Salary & Equity committee to share the data and update the committee.

Committee Election Results

Dean Taylor volunteered for the position of Vice Chair while Fernando Riosmena volunteered to be secretary of the committee. The committee unanimously voted in favor of the two nominations.

Audit strategies for the Health Trust Board

The committee had an in-depth discussion of audit strategies for the Health Trust and agreed to make the following recommendations to Faculty Council:

- Review the liquidity and solvency of the Trust over the prior financial year and to specifically identify the days in which the reserve balances were below the actuary limits.
- Conduct an assessment of the overall viability and financial health of the Trust from a financial perspective.
- Review the revenue recognition policies in terms of both revenues and receivables.



It was agreed that the committee's chair will draft the proposed request and send to committee members for review and input.

Discussion on Reserve Polices

During this discussion, the committee concluded that there is need for a system wide policy on the use of reserves and agreed to ask VP Saliman to attend the committee's meeting in September to discuss the possibility of developing a policy on the same. Discussion ensued.

Discussion on the Faculty Compensation Pool

The committee agreed to review its proposal on the Faculty & Exempt Professionals Compensation Pool and reformulate it for submission during this academic year. Committee members Dale Deboer, Fernando Riosmena and Dean Taylor agreed to work on a new draft for discussion at the September 12, 2013 meeting.

Old Business

Retirement Savings for Faculty

Committee member Gary Colbert agreed to continue working on this issue, while Chair Neumann indicated that he would send the prior report on faculty savings to new members for their review.

Adjournment

There being no other business, the meeting was adjourned. The next meeting will be on September 12, 2013 in RM-Middle-502, 1800 Grant St, Denver, CO 80203.