



**URC MEETING MINUTES**

WEDNESDAY, FEB 21, 2018

12:00PM – 1:30PM.

BLDG 108

<b>ATTENDEES</b>	Dr .Mike O’Brien, Dr. Richard Ortega, Dr. Bill Spindle, Chris Leach, Dr. Ashley Spicer-Runnels, Dr. Holly Verhasselt, Jo Anna Benavides-Franke, Denis Cano, Dr. Eric Cooper, Kimberly Nanez, Lloyd Butler, Dr. Lorrie Webb, Sharon Otholt, Dr.Ed Westermann, Jennifer Haft, Carroll Adams
<b>ABSENT</b>	Dr. Dennis Elam, Dr. Amy Porter, Mary Walker, Dr. Melissa Mahan, Dr.Cynthia Teniente Matson

I. Welcome & Introduction

A. Call to order

B. Dr. Spindle opened the meeting at 12:05 PM

II. Presentation

A. See the presentation (Atch 1) for detail. Dr. Bill Spindle, VP for Business Affairs, covered the fiscal realities and mitigating risk segment of the presentation. The State Comptroller, speaking at TASSCUBO in January, warned that this next legislative session would be as difficult as the last one. Given the costs of Hurricane Harvey, Medicaid, and Health & Human Services cost increases, and the need for massive transportation improvements, the legislators will have a tough time balancing the budget. This could mean extra pressure on reducing special item funding, which is so crucial to AM-SA. We have the potential to lose from \$1.65M to \$9.4M per year in Special Item funding. Given that reality, we need to use a very conservative growth model and keep some of our base dollars in reserve. Consequently, the Budget Team is recommending no across-the-board merit increases for staff and faculty this year. The unknowns are too great.

Chris Leach, Associate VP for Financial Services and Controller, described in detail the updated tuition and fee projection methodology (see Atch 2). The projections are no longer based solely on headcount projections but now focus on SCH estimates across all of the student cohorts.

Lloyd Butler, Executive Director of Budget and Payroll Services, detailed the FY19 Revenue Budget specifically highlighting the primary increases in revenue for FY19, which will be in tuition and fees, based on a conservative growth of 800 students. Lloyd then discussed the projected FY19 Operating Expense Budget and showed the anticipated increases in fixed costs: 1) compensation adjustments due to salary adjustments during FY18; 2) scholarship expenses derived from mandatory set-asides; and service contract increases due to increases in SSC costs because of increased square footage beginning in the fall of 2018 (due to addition of the new Science and Technology Building). Lloyd also discussed Strategic Plan Investments: 1) Research Initiative Fund Increases; 2) Faculty Equity Adjustments—this is the third year of three planned adjustments; and 3) Pay Adjustments in Support of Strategic Plan Goal 1 which is focused on right sizing key academic advising and student success personnel to ensure continuity of operations.



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Mr. Butler also briefed on the available one-time funds which is derived from our operating reserve balance. He finally discussed available PUF funds which is only used for capital projects and equipment.

- B. Each division chief briefed the URC on the budget requests for their Division. Dr. Mike O'Brien discussed the continuing growth needs of Academic Affairs, especially regarding increasing our faculty ranks and the administration to back them up. Dr. Ashley Spicer-Runnels explained the needs of Student Affairs—again to primarily support the continued growth of the institution. Dr. Spindle discussed the one-time needs of Business Affairs. All items were due to increases in cost or refurbishing the police fleet. Dr. Richard Ortega explained the needs of University Advancement that are due to its efforts to increase its influence in marketing, development, and alumni support. Jen Haft discussed the continuing needs in the President's Office to support the overall university mission.
- C. Dr. Spindle finished the presentation by tasking the URC membership to review all of the requests and submit any questions or concerns before COB on Friday, February 22. The Budget Team will be getting the FY19 Budget ready to submit to the System. Last minute reviews of potential additions to the Budget are under way. The goal is to submit the final budget request by Feb 20 2018.
- D. Dr. Spindle discussed future URC Sessions which will focus on the LAR process; our forecasting methodology; follow ups on Dr. Matson's requests, to include a Space and Capital Review, a deep dive into internal administration costs, and a detailed analysis of the efforts to meet the Strategic Goal #1: Becoming a National Model for Student and Academic Success.