

**University Resources Commission**  
**Tuesday, April 27, 2021**  
**9:00 a.m. – 10:00 a.m.**  
**Location: Microsoft Teams meeting**

Attendees: Edwin Blanton, Brian Brantley, Jarrick Brown, Lloyd Butler, Pablo Calafiore, Rohan Christie-David, Mary Kay Cooper, Dennis Elam, Craig Elmore, Durant Frantzen, Kathryn Funk-Baxter, Miriam Magdaleno, Mike O'Brien, Deanna Reynolds, Phillip Rodgers, Joseph Simpson, Darnell Smith, John Smith

Absent: Alyssa Atkinson, Brandy McLelland, Leonard Love

## Minutes

- I. Welcome/Minutes from January 20, 2021 (Kathy Funk-Baxter)
  - a. Introduction: Craig Elmore, Controller
  - b. No suggested edits to minutes; minutes approved and to be posted.
- II. Summer and Fall Enrollment updates (Mike O'Brien)
- III. FY 22 budget update and appropriations update (Kathy Funk-Baxter)
  - a. New incremental revenue earmarked to cover commitments currently covered by reserves, such as bridge-to-base expenses, ongoing costs not accounted for initial budget (maintenance and escalation clauses in agreements), irregularities with faculty salary disbursements, and increases in system assessments.
  - b. No new allocations of base budget for FY 22.
  - c. Appropriations update: State Appropriations Budget still unknown
    - i. Cuts to downward expansion removed from house or senate bills.
      1. Senate draft bill still includes a 33% cut in future biennium
    - ii. Anticipate 5% cut to non-formula total (approx. \$1M over biennium); enrollment and semester credit hours (SCH) down, resulting in loss in formula funding; final Spring numbers still being determined.
    - iii. HB 3175 Comprehensive Regional University Support if passed could offset some of the losses in funding.
    - iv. HB 1530 TRB for new Public Health and Education Building with House Higher Education Committee.
      1. Because construction supports the economy, there is a possibility it could pass as a strategy to help Texas economy.
    - v. Legislature will conclude May 31<sup>st</sup>.
- IV. CARES Funds allocations and updates (Kathy Funk-Baxter)
  - a. University anticipating to receive \$37M between HEERF I, HEERF II, and HEERF III funds.
    - i. HEERF III has not been awarded yet but news of how much will be awarded is anticipated soon.

- ii. A lot of requirements are tied to these funds; the requirements are constantly changing (i.e. deadline to expend funds changed from 12 to 18 months for HEERF II).
        - 1. MSI funds on top of HEERF funds with similar requirements.
        - 2. Combination of HEERF funds anticipated to be 30% of FY 21 budget.
    - b. Plans for HEERF II
      - i. Replace lost revenue and cover additional operational expenses tied to COVID-19, such as additional cleaning and sanitation supplies.
      - ii. Additional investments for student counseling, course redesign and delivery through the hiring of course designers, academic programming, technology to support remote and hybrid teaching.
        - 1. Faculty receive a \$500 stipend for working on redesigning their course.
        - 2. Funds will be allocated to continue the program through summer '22 (dependent on a no-cost extension through summer '22).
    - c. Plans for HEERF III
      - i. Replace lost revenue from state appropriations.
      - ii. Invest in academics and infrastructure.
      - iii. Student support through FY 22 through nine initiatives:
        - 1. Provide 180 students with housing and meal plans
        - 2. BOGO: Buy one, get one free class program for Summer '21
        - 3. Working on bringing back 900 students to complete their coursework by paying down their balances.
        - 4. Provide laptops and training through Microsoft and Dell to students to enhance digital literacy.
      - iv. \$4.5 M unallocated at this time
        - 1. No funds are being used as part of routine computer refreshes, though some have been allocated to upgrade technology in event venues and classrooms to make those spaces more compatible with hybrid program delivery.
        - 2. A separate computer refresh program is in progress to update computer labs and faculty equipment.
          - a. Durant Frantzen to provide list of labs in need of refresh.
    - d. All HEERF funds are one-time funds.
      - i. Lecturers are being hired, but no PINS have been generated for permanent positions.
      - ii. Hope is to improve retention and increase new students with these investments, to stabilize budget first.
- V. Budget Calendar (Kathy Funk-Baxter)
  - a. Once appropriations are known a preliminary budget will be finalized.
  - b. Preliminary budget will be presented to URC in June.
  - c. Budget will be approved in August.
- VI. New Financial Reporting (Craig Elmore)

- a. Working with Lloyd and Kathy to develop a report that compares budget to actuals and budget year to previous years.
  - i. Revised report will look at month-to-date and what is that variance
  - ii. Use variance to budget to try to forecast how the budget will look closer to end of year, as well as review any variances greater than 5%.
  - iii. Also reviewing base vs non-base funding, cash on hand, and deficit budget pools.
    - 1. Any suggestions on other reports that would be useful welcomed.
      - a. A cash flow statement for colleges and university, specifically a sources and uses of funds report.
  - iv. These reports will be presented to President as well as this group, once this reporting is developed.

VII. Discussion/Questions

- a. Tanner Voelkel has been hired to help Lloyd as part of the budget team.
- b. URC membership terms are being reviewed; anyone who wants to stay on is welcomed to stay and be reappointed.

VIII. Adjourn

- a. There being no additional questions or comments, meeting adjourned at 10:03 a.m.