

**Roll Call:** Craig Elmore, Durant Frantzen, Abel Morales, Lloyd Butler, Brandy McLelland, Mark Weichold, Wowek Kearney, Leonard Love, Gilbert Barrera, Darnell Smith, Jarrick Brown, Joseph Simpson, Ashley Spicer Runnels, Kathryn Funk-Baxter, Zeke Naifeh

**Absent:** Mary Kay Cooper, Iris Castillo, Qi Han, Rohan Christie-David, Chin-Yen Liu

**Meeting Start: 9:07am**

**Minutes from the February 23<sup>rd</sup> meeting**

- Were attached, please send corrections to Tristan

**Results of the polls**

- 2% merit pool for Faculty and Staff
  - 4 Votes – Effective September 1, 2022
  - 5 Votes – Effective March 1, 2023
  - 1 Vote – Do not support
- Professional & Tenured Track Faculty Rank Promotion
  - 8 Votes – Yes, I support
  - 1 Vote – No, I do not support
- Professional Development Budget
  - 9 Votes – Yes, I support

**CRU proposals**

- Institutional Research Analyst
  - 8 Votes - \$64,000
  - 6 Votes - \$75,000
  - 2 Votes – I do not support
- Student Advisors

- 8 Votes - \$238,000
- 7 Votes - \$312,240
- 1 Vote – I do not support
- Student Success *\*President's Cabinet was lumped into one for easy reading purposes\**
  - 6 Votes - \$375,176 – Four Additional Faculty Members
  - 9 Votes - \$393,000 – Additional Peers
  - 1 Vote – I do not support

**Recommendations from Student Advisory Fee**

- All comprised of students that have met multiple times to come up with this decision.
- Sean Kearney asks about the VP SSE and Jag-x being defunded, what are the implications of the lines that are showing we used to fund these recommendations and their recommendation as we stop funding them all together?
  - Vice President has other accounts that are funded for the budget
  - Items that would come out throughout of the year
- Jag-X – Fee has been split and in a different way *\*Not Defunded\**
- Orientation fee was increase

\*\* Disclaimer: There are typos on the chart \*\*

Student Service Fee	FY23 Recommendation	FY22 Allocation	Committee Cuts	Details
VP SSE	-	\$28,424	\$28,424	Operations
Student Involvement	\$313,413	\$321,883	\$8,620	Operations
Career Services	\$312,633	\$292,681	\$58,420	Keep P-110376 in USF
Student Counseling Center	\$18,430	\$18,007		
Disability Support Services	\$42,383	\$-		
Dean of Students	\$82,000	\$100,801	\$2,000	Operations
Student Government Assoc.	\$57,622	\$57,622		
Campus Activity Board	\$88,315	\$92,315	\$4,000	Operations
VA Certification	\$240,237	\$190,437		
International Affairs				
Student Rights & Responsibilites	\$150,970	\$143,591		
Mays Center				
New Student Programs	\$167,485	\$182,008		
First Year Experience: Orientation				
SSE Communications	\$78,940	\$85,601	\$6,661	Operations
Jag-X	\$-	\$99,325		
President's Leadership Class	\$20,000	\$20,000		
Family Engagement	\$144,295	\$131,972	\$2,000	Operations
Transfer Engagement	\$63,600	\$122,861		
Alcohol & Other Drug	\$33,100	\$36,221	\$5,500	Operations
Cisneros Institute	\$85,644	\$84,294		
Unappropriated				
<b>Grand Total</b>	<b>\$1,899,067</b>	<b>\$2,008,043</b>	<b>\$115,625</b>	

**Athletic Fee Recommendations**

- There were not any changes for these allocations from FY22 budget to FY23 budget

**Recreational Sports Fee Recommendation**

- Increase in Salaries
- Increase in Benefits
- Reduced Operations
- Other – Placeholder so that they have funding available for the debt service on their new building. Design team has been selected. Expected open date of August 2024

Campus Recreation	FY23 Recommendation	FY22 Allocation	Increase/ Decrease	Details
Salaries/Longevity	\$271,082	\$266,082	\$5,000	
Wages	\$228,418	\$228,418		
Benefits	\$78,830	\$77,330	\$1,500	
Travel	\$25,000	\$25,000		
Operations	\$155,123	\$161,623	\$(6,500)	
Scholarships	\$20,000	\$20,000		
Other	\$574,558	\$574,558		
<b>Grand Total</b>	<b>\$1,353,011</b>	<b>\$1,353,011</b>	<b>\$-</b>	

**Draft of Revenue Budget**

- President’s cabinet requested that we increase the tuition and fees that are available for use by \$550,000 to offset some incremental expenses.
  - Budget is built by 0% Growth but just by dual credit we will see additional students come in along with our freshmen class.
- Invest income decrease – Budget was a little high originally and dropped down now due to interest rates.

Revenues	FY2022 Budget	FY2023 Budget	Variance	Percentage Change
State Appropriations - General Revenue	30,589,137	35,661,256	5,072,119	14.22%
State Appropriations - Benefits	5,560,127	5,160,127	(400,000)	-7.75%
Federal Appropriations	10,034,210	-	(10,034,210)	N/A
Tuition - State	7,609,978	7,646,712	36,734	0.48%
Tuition - Designated	14,733,809	15,444,484	710,675	4.60%
USF Fees	17,164,551	17,464,478	299,927	1.72%
Other Fees	5,371,680	6,406,140	1,034,460	16.15%
Discounts and Allowances - Fees	(7,877,949)	(8,624,681)	(746,732)	8.66%
Remissions and Waivers	4,232,492	4,288,996	56,504	1.32%
Discounts and Allowances - Tuition	(7,768,720)	(8,514,069)	(745,349)	8.75%
Contacts and Grants	1,952,748	2,270,199	317,451	13.98%
Student Financial Assistance	30,124,674	20,872,440	(9,252,234)	-44.33%
Gifts	1,771,227	1,511,135	(260,092)	-17.21%
Sales and Services*	4,008,091	4,475,022	466,931	10.43%
Investment Income	1,649,250	1,595,000	(54,250)	-3.40%
Other Operating Income	265,270	415,270	150,000	36.12%
<b>Total Revenue</b>	<b>119,420,575</b>	<b>106,072,509</b>	<b>(13,348,066)</b>	<b>-12.58%</b>

**Base Reductions**

- Most are not at a departmental level but at a central fund level.

Description / Action Item	Balance
Bridge to Base Reduction Target	\$1,500,000
IT New Hire Equipment	(30,000)
Reallocate Computer Refresh to PUF Funds	(302,000)
Cancellation of Modular and Other Leases	(445,844)
Cancellation of EAB Global Research Contract	(112,724)
Reallocation of Expenses to Hazelwood Reimbursement from State	(150,000)
Reallocation of Expenses to Strategic Investment/Interest	(350,000)
<b>Subtotal</b>	<b>\$ 109,432</b>

#### **Base Additions**

- Expecting at least a \$1,126,887 increase
- 2.25% increase in SSC contract \$53,091
- New College of Business SSC contract \$218,000
- Preliminary IT contracts increase \$67,380
- Preliminary 8% TAMUS System Assessment increase \$99,046
- Preliminary 10% TAMUS Property Insurance Increase \$28,100
- Preliminary 8% group insurance premium increase \$477,917
- Faculty Promotion – Salary Increases and Other - \$183,353

#### **Draft of Expense Budget**

- Expectation of \$93,717,324 total expenses in FY2023 Budget
- Slight decrease in faculty and non-faculty salaries due to HEERF and one-time funded positions.
- FY2023 has no HEERF dollars in it
- O&M - Student aid came from HEERF
- Durant Frantzen asks what percentage of HEERF funds are we rolling into the next budget?
- Very little of the positions that were on HEERF have another funding source allocated to them

Expenses	FY2022 Budget	FY2023 Budget	Variance	Percentage Change
Salaries - Faculty	17,460,367	17,388,687	(71,680)	-0.41%
Unallocated Faculty Salaries	1,405,468	474,520	(930,948)	-196.19%
Adjunct Faculty	2,554,788	2,554,788	-	-
Salaries - Non-Faculty	25,120,690	23,099,590	(2,021,100)	-8.75%
Wages	2,154,952	2,045,158	(109,794)	-5.37%
Benefits	13,493,639	12,320,098	(1,173,541)	-9.53%
Unallocated Non-Faculty Salaries	1,034,098	603,958	(430,140)	-71.22%
Utilities	1,632,366	1,632,366	-	-
Workstudy	371,985	376,341	4,356	1.16%
Scholarships	28,718,647	28,537,047	(181,600)	-0.64%
Scholarship Discounts	(15,646,670)	(16,915,994)	(1,269,324)	7.50%
Operations and Maintenance	33,976,397	19,533,293	(14,443,104)	-73.94%
Equipment (Capitalized)	144,842	144,842	-	-
Longevity	235,953	216,243	(19,710)	-9.11%
Travel	1,292,026	1,455,426	163,400	11.23%
Graduate Assistance - Non-Teaching	360,117	250,961	(109,156)	-43.50%
<b>Total Expenses (Less Service Depts)</b>	<b>114,309,665</b>	<b>93,717,324</b>	<b>(20,592,341)</b>	<b>-21.97%</b>

### Summary Draft Budget

- Revenue is going down related to FY22 – HEERF Related
- Total Expenses are going down as well
- Net Change (use of reserves) : (\$1,543,512)
- Showing a huge effort to limit the use of reserves

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 (Est.)
Total Revenue	\$85,581,484	\$92,703,282	\$92,940,608	\$119,420,575	\$106,072,509
Total Expenses	79,863,105	85,927,930	87,430,577	114,309,665	93,717,324
Debt Service	7,972,721	8,828,095	8,017,693	10,157,101	13,898,697
<b>Net Change (Use of Reserves)</b>	<b>\$(2,254,342)</b>	<b>\$(2,052,743)</b>	<b>\$(2,507,662)</b>	<b>\$(5,046,191)</b>	<b>\$(1,543,512)</b>

### Needs for additional projected incoming freshmen

- Forecasting 1,300 – 1,500 freshmen – increase of 500 new students
- Budget was not build based upon a huge increase in freshmen class size
  - Needs to be discussed
    - 2500 additional admins potentially
- 50% of admitted students are outside of the SA area
  - The Valley
  - El Paso
  - Northern Texas
  - Out of State and International

- Twice as many students signed up for new student orientation compared to last year this time
- Engagement is higher earlier than the past years
- Transfers seem to be around the same as before – not a significant increase
- Overall there seems to be a trend up in enrollment as of now
- Roadblocks: Housing, making sure we have the correct amount of classes, teaching capacity
  - More tuition revenue
- Registration begins at the end of this month
- Need to make sure we can provide support for the students: Advising, Housing, Counseling etc.
- Joseph Simpson mentions that we need to have a conversation about our capacity for growth
- Mark Weichold agrees and mentions that we need to look at various options and some options might include additional part time faculty – challenge is a plan for funds to pay faculty
- Part-time faculty have limited availability during the day time for face to face teaching. Don't get the coverage as we would with full time faculty
- Good success with offering core classes online
- With enrollment increases there is an expected an increase in face to face teachings
- Seeing a large increase in early college high school students
- Transfer students are wanting to come and attend summer classes, much more than the incoming freshmen

#### **Next Steps in Budget Process**

- March 8<sup>th</sup> – Presenting a draft budget to the President
- March 9<sup>th</sup>-Review any changes from March 8<sup>th</sup> meeting with President
- March 14<sup>th</sup> – Submit formal budget packet to the system
- End of April – Programmatic Budget Review

#### **Questions from Committee**

- Sean Kearney mentions that after the conversation we just had we need to re look at the faculty salaries part of the budget due to the incoming freshmen increases.
- Kathryn Funk-Baxter mentions she agrees that we need to take a deeper dive into this.
- Mark Weichold adds that having a large freshmen class is going to put pressure on everyone not just for FY22 FY23 year but a pressure that will be around until students graduate. Need to look at the long term implications of the next 5 or 6 years.
- Joseph Simpson mentions that IT inquired about a potential switch to Blackboard Ultra. Not sure on additional expenditures etc. This is a big switch that needs to be discussed.
- Kathryn Funk-Baxter mentions that this software is already available to use at our current price. Agrees there needs to be planning and faculty input.
- Mark Weichold mentions that we need to look at Blackboard Ultra and see if we have everything we need to fit our needs. Also gives us an opportunity to look at other software's to see what can offer us the most.

- Craig Elmore mentions that a flex budget will allow us to possibly adjust and if we actually have 1300-1500 incoming freshmen we can see where we can allocate the revenue from that.
- Kathryn Funk-Baxter mentions that there is some flexibility in the budget before August because budgets are due early on.

**Next meeting dates and sections of budget to complete**

- March 9<sup>th</sup> – 12:30 – 2:30pm - Review budget that includes any potential amendments by the president
- March 21<sup>st</sup> – 10:00 – 11:00am
- April 13<sup>th</sup> – 2:00 – 3:00pm

**Adjourned: 10:23am**