

Budget Planning Council
MINUTES
March 9, 2007

Present: William Decatur, Kathy Krendl, Greg Shepherd, Gail Houlette, Aimee Howlee, Morgan Allen, Wendy Merb-Brown, Rich Carpinelli, John Day, David Thomas, Joe McLaughlin, Morgan Vis, Dominic Barbato, and Darrell Winefordner,

Absent: Phyllis Bernt

Guests: Greg Fialko and Steve Flaherty

1. Restatement of Budget Position

- Move faculty compensation piece up from Investment (change)
- Show IT and minimum wage as one lump sum
- Savings suggestions from AFSCME, salaries, insurance gets to \$8M figure savings
- Concern was raised by one member that prioritizing one investment goal above two others might not increase recruitment and retention; and we will be forced to reduce again next year.

Summary

- \$1.2 million for faculty salary to remain as strategic investment
- Council requested the \$4 million of activities be grouped as “Strategic Investments”

2. Establishing Targets for Contingency Budget Reallocations

The council began discussions on the process for establishing contingency budget reallocation targets. Below are some of the observations / comments.

- Need to determine the exemptions from base
- Summer school exemption needs to be discussed
- An option is to use either instructional and / or general fee savings and shift the funds to the other fund through the establishment of the instructional and general fee rates
- Only Group I faculty salaries are exempt--not benefits
- Guidelines for elimination of group I faculty (can you cut if they are exempt)
- What are the notification guidelines for discontinuing staff?

Strategic Issues

- Reallocating funds and then having an investment pool causes planning units to prioritize their activities.

- Do strategic investments occur at planning unit level or centrally?
- Demand model under future RCB versus strategic model?
- The council had a discussion of the link between workload and productivity
- What level of reduction and how many times do we communicate to Planning Unit Heads a target?

3. Total Compensation Issues

a. Is one option to provide a 2.5% salary increase to non-faculty?

b. Benefits Advisory Health Care Reduction Scenarios

- Discussion regarding the impact on salary increases if health care costs increase, along with the OPERS increase in January and cost-of-living increases. What is the net result?
4. A three-year model and more information is needed for Financial aid. This year already determined, but need to review this Spring to ensure that information is correct for next recruiting class.