Approved, April 24, 2018 Minutes of the Faculty Senate Budget Committee

Leanne DeFoor, Chairman, Presiding February 5, 2018 at 2:00 PM Adamson Hall Conference Room

Members Present: Blynne Olivieri, Henry Zot, Matt George, Laura Caramanica, Tim Schroer, Ann Gaquere, Tom Jennings, Leanne DeFoor

Non-members present: Kyle Marrero

Members Absent: Scot Lingrell, Dave Fraboni, Andrea Stanfield, Shelley Elman, Tom Gainey, Liz Baker, Young Suh.

- I. The Chairman called the meeting to order at 2:08 PM.
- II. Approval of Prior Minutes Upon motion and second, the motion to approve the November 30, 2017 Budget Committee Meeting Minutes passed unanimously.
- III. Old Business
 - A. <u>Budget Update</u>
 - 1. Current Status of the Budget Request
 - a) President Marrero updated the committee on the status of the budget request.
 - b) RCOB Design Funds were not in the Governor's Budget, but we are optimistic it will be included in the House version of the Budget. UWG has requested \$1.7 million in design funds for the new building.
 - c) There is a slight chance that a small amount of funding for merit increases will be included in the budget; however, it was not in the Governor's budget.
 - d) Tuition Increases there may be approval of a 2.5% tuition increase that would result in approximately \$1 million recurring for UWG.
 - e) The first round of eTuition cuts will be effective on July 1, 2018.
 - f) On 3/29, the budget will be complete (the big check that goes to the system). Our formula growth would be approximately \$2.2 million recurring, best case scenario.
 - g) We projected that enrollment from Fall 2016 to Fall 2017 would be 13,520. That would generate \$325k to book, of which \$250k would be allocated to Promotion and Tenure. UWG had around a 7.8% drop from Fall to Spring. UWG's enrollments are essentially flat, which means next year, we will get only our formula allocation and possibly a tuition increase.
 - h) Starting with \$2.44 million (\$350k reallocated from eCampus/eCore). \$250k will go to Promotion and Tenure. We have \$2.3 million we need to cover before we get to our other needs.
 - i) Bottom line is that we are still in good shape, but things will feel tighter. Ultimately, the eTuition phase out saves students money.
 - j) We will have another update in March or April 2018.
 - 2. Spans and Layers Analysis (Administration)
 - a) The spans should be the number of direct reports, and the layers are the levels of administration.
 - b) Benchmarks –we have the lowest cost per FTE of our comparator group in the USG for administrative expenses.

- c) Levels 4-5 are Director and Assistant Director positions. 78 individuals have only 1 direct report, so we may have consolidations.
- 3. Student Fees
 - a) President Marrero distributed a fee handout (see attached).
 - b) All students pay a Special Institutional Fee of \$290, an International Fee of \$5, and a Tech Fee of \$55, for a total of \$350. Others have prorated fees for \$982 total.
 - c) We are 10th from the top in comparison to the rest of the USG. All R1 universities and comparators and some of the regional universities are higher than UWG.)
 - d) The Auxiliaries Pro Forma showed a \$809,158 loss. The Athletic Complex and Campus Center Fee adjusted to balance budget because of debt service, so we have requested an increase of these fees to cover that (\$18 for Athletic Complex and \$13 for Campus Center).
 - e) Fee Analysis President Marrero has presented it. The response was that it was "interesting" but there is opposition to renaming fees.
 - f) Full Online Credit Hour Cost Comparison (eTuition reduction) \$632 added in
 = lower total fees but shores up pro formas
 - g) Probably can't do anything for FY19 but hopefully UWG can do something for FY20.
 - h) March 6th = budget hearing. President Marrero will present again.
 - i) 50% of UWG undergraduate students take at least one 3-hour online course. 72% of undergraduate students take at least one online class over their four years at UWG.
 - j) The cost to deliver a course online is approximately \$18.58 per credit hour. The \$42 new "electronic tech fee" will not work.
- 4. Enrollment Projection
 - a) Discussion of compression was deferred to the January Committee Meeting because our meeting time was exhausted.
- B. Strategies to Address Compression
 - 1. Need to develop a 3-5 year plan to determine what CUPA percentage UWG should stop at for across-the-board increases so that we can take steps toward addressing compression.
 - 2. The urgency is someone alleviated by the fact that there likely will be no increases (or only very small ones) for the upcoming fiscal year.
- IV. New Business There was no new business introduced at the meeting.
- V. The meeting was adjourned at 3:10 PM.