

4/7/17 Administrative Council Meeting Minutes

In attendance: Dr. Sheila Adams, LeAnn Alexander, Dr. Brian Anderson, Angie Atkins, Dr. Jim Borsig, Dr. David Brooking, Sirena Cantrell, Karen Clay, Lee Crouse, James Denney, Lynn Dobbs, Melanie Freeman, Wesley Garrett, Maridith Geuder, Rodney Godfrey, Dave Haffly, Jessica Harpole, Aisha Ghimire for Quincy Hughes, Jody Kennedy, Melinda Lowe, Carla Lowery, Lisa McDaniel, Nora Miller, Andrew Moneymaker, Shelley Moss, Nicole Patrick, Danny Patton, Anika Perkins, Amanda Clay Powers, Dr. Tom Richardson, Ginger Smith, Susan Sobley, Rich Sobolewski, Andrea Stevens, Dr. Scott Tollison, Jason Trufant, Dr. Kim Whitehead, Ken Widner, and Tyler Wheat.

Dr. Jim Borsig called the meeting to order.

Minutes -

Following a motion by Rich Sobolewski and a second by Lee Crouse, the minutes from the March 2017 meeting were approved with one correction.

University Update –

The budget was discussed by Dr. Tom Richardson, Nora Miller and Dr. Borsig.

Dr. Richardson provided the following academic program review summary (This is a cut and paste from Dr. Richardson's typed notes for the meeting):

Academic Program Review is an important part of MUW's continuous improvement process, as well as a central element of the university's priority for a Twenty-First Century University. Program review is essential both for serving student academic needs effectively and for responsible management of academic resources. Academic Affairs focused on program review early in the 2015-16 academic year as part of the process of setting university priorities—when we were able to concentrate on the academic value of the review. Recent budget considerations have pushed us to accelerate the review process in some disciplines as the IHL Board scrutinizes more carefully the system's low-enrolled programs, but our good start last year means that we are working from a solid academic foundation. Faculty, department chairs, and deans have done great work in revising program curricula (see the Undergraduate Curriculum Council and Graduate Council minutes online) and in reassessing degrees and program titles to ensure 21st-century offerings. Also, in the General Education program, the "Health-Related Course" requirement was eliminated and BSB 109 Introductory Biology was added as a lab-science option.

The following program changes were approved by the IHL Board in April 2016:

- Bachelor of Technology in Professional Studies renamed to Bachelor of Applied Science in Business Administration
- Bachelor of Arts in Fine Arts and BA Fine Arts-Theatre Emphasis renamed to Bachelor of Arts in Theatre

- Master of Science in Global Commerce renamed to Master of Business Administration in Business Administration.

The following new degree program was approved by IHL in November 2016:

- Bachelor of Applied Science in Public Health Education

The IHL Board also approved the deletion of the Bachelor of Science in Microbiology.

The following program changes are on the agenda for the April 2017 IHL Board meeting:

- Rename the Master of Science in Health Education to Master of Public Health
- Suspend admission to the Bachelor of Fine Arts in Art Education
- Suspend admission to the Bachelor of Arts in Social Sciences and Bachelor of Science in Social Sciences.

The Department of Education has reviewed its graduate programs in education and will be recommending changes to submit for the summer 2017 IHL review cycle.

Nora Miller provided the following budget update (This is a cut and paste from Ms. Miller's typed notes for the meeting):

First for a bit of good news –

At the end of February, we have recognized 80% of our budgeted revenue, and 72% of our budgeted expenses. Considering that we were 58% into the year, that's great on the revenue side, and not as scary on the expense side since spring tuition, fees, and scholarship expense have all been accounted for. March has not been closed out yet – but the expenses will start to catch up with that revenue number.

Last year – FY 16 – we had reductions in our capital appropriations of \$28,000, shortfalls in education enhancement funds, and then 2 rounds of general fund mid-year cuts, \$264,000 in January, and then \$76,000 in April. To meet these cuts, we deferred some purchases, held vacant positions open, and asked departments to curtail purchases and be mindful of the shortfall.

Those FY 16 cuts were basically carried forward to start the FY 17 budget. We were able to offset some of those cuts with tuition increases – but a lot of those increases had already been designated to cover built-in costs.

This fiscal year, we received an early cut of \$290,000 in general funds in September, and though assured there would be no further cuts, we were right to be wary. In January we were cut another \$259,000. In February, another \$259,000, then again in March, an \$81,000 reduction, for a total over \$889,000. And our education enhancement appropriations vary from month to month. As of February, we were \$131,000 short on

those funds. We have not received the March payment yet. This all adds up to over \$1 million of state funds that have not materialized.

Again, we are deferring some expenses, holding vacant positions open, we have curtailed purchase orders and lowered spending authority on procurement cards. We put our expiring facilities contract out for competitive proposals, and came up with what will amount to over \$100,000 in annual savings. (We only have half of that savings in this current year.) In addition to all of these measures, net summer tuition revenue will be crucial to helping us to finish out this year. That means lots of paying students in each course!

For FY 18, our appropriations will take yet another cut from where we are now. Those numbers have not been circulated, but an estimate is another \$725,000+++. Again, we will have increased tuition revenue – but we will not have a dollar for dollar offset. And we have some uncontrollable expenses that will go up. This means we all have to take a hard look at our units – reorganize for economy and efficiency, eliminate unnecessary expenses, and look to maximize revenue. Some of this will take us awhile to achieve – but we need to start making changes.

For instance - we are starting to look at copier contracts and printers on campus. We will be trading off some convenience to save costs on consolidating and networking where possible, and limiting the need to replace deskjet toner that costs more than the price of the deskjet printer. We'll look at phone lines, too, to see if we can eliminate fax lines and other lines that are not essential.

We are also going to start from scratch in developing our FY 18 proposed budgets. In the past, we've asked you to tie incremental changes from the prior year budget to each of the budget and planning priorities. This year, we need to build our proposed budget from zero – and tie the entire budget to the various budget and planning priorities. When doing this, keep in mind that we are facing appropriations at approximately \$1.8 million less than where we started this year.

We will also ask for projected changes for the following year, FY 19 – with incremental changes from the proposed FY 18 budget, again, tied to the budget and planning priorities.

Instructions, a sample worksheet, and your individual budgets will be sent to you next week. We've scheduled two meetings to answer questions and go over this with budget managers. These meetings will be next Tuesday and Wednesday. Tuesday at 1:00 p.m. and Wednesday at 11:00 a.m. in this room.

Budget sheets will be due to Deans/Supervising Cabinet members by April 21; budget managers will be meeting with their Dean/cabinet member between now and the end of April/early May. As part of this review, budget managers should be prepared to show how their actual FY 17 expenses relate to the proposed FY 18 budget.

The proposed budgets will be summarized, reviewed by the cabinet, and matched to projected revenues. Summary budget information will be due to IHL – typically around Memorial Day – and will be on the IHL agenda for the June board meeting.

Dr. Borsig provided the following budget update (This is a cut and paste from Dr. Borsig's campus letter sent 4/11/17):

On February 8, 2017, I wrote to you regarding university finances and the development of the FY 2018 university budget. Since then, the university experienced two additional mid-year cuts to our state appropriations for the current year's budget totaling approximately \$325,000. Since July 1, 2016, the university's state appropriations for the current year's budget have been reduced by approximately \$890,000. These reductions are due to state revenues falling below the state's adopted revenue estimate for the current budget year.

Two weeks ago appropriations for the upcoming budget year were adopted by the legislature. Next year's state appropriation for IHL General Support will be approximately 10.1% below the amount originally appropriated for the current budget year. It is important to note that these reductions affect the university's state appropriations and not the revenue earned through tuition.

During the April Board of Trustees meeting the university should learn the final state appropriations allocation, as well as tuition for the upcoming budget year. Once these revenue estimates are known, then the university's expense budget can be finalized. In the meantime, departments will begin the budget planning process.

The university's budget process is a collaborative year-long effort and involves many of our standing committees and councils. Curriculum changes, program additions and deletions, competitive contract selection processes, and your commitment to assessment and continuous improvement influence the development of the annual budget. Other factors, such as faculty promotions, the operation of the soon to be fully renovated Fant Library, contract increases for academic and business software, and utility increases also affect the budget.

The first formal step in budget development begins with the PIE Council identifying university-wide priorities to guide budget development and decisions. On March 31, 2017, the PIE Council met and adopted the following priorities for the upcoming budget year:

1. Sustainable business model
2. Degree completion
3. 21st century university
4. Advancement excellence
5. Regional stewardship

Following the schedule below, budget instructions have been sent to budget managers to begin the development of the FY 18 budget. The budget development schedule is

available below and I would encourage each of you to talk with your budget manager about next year's budget, and to continue to suggest process changes and reorganizations to improve both our effectiveness and efficiency. I am also leaving the hiring pause in place until the university is further along in developing next year's budget.

I am grateful to you for your good work, thoughtful suggestions, and willingness to work through these challenges as the university adapts to these changing conditions.

Dr. Borsig called on Shelley Moss to give a brief recruitment update. Ms. Moss said Admissions is admitting students daily, especially transfer students. She said 202 freshmen and 350 transfer students have been confirmed and that orientation registration numbers look good. She noted that the freshmen numbers likely will be impacted by changes for international students, which include no out-of-state waivers and the freshmen residency policy.

FY 2018 Proposed Budget Timeline

April 10	Budget worksheets distributed to Budget Unit Managers
April 11	1:00 p.m. workshop Cochran 303
April 12	11:00 a.m. workshop Cochran 303
April 21	Budget worksheets due to Dean/Supervising Cabinet Members Budget unit managers meet with Deans/Supervising Cabinet Members to review and sign off on proposed budgets.
April 28	Signed proposed budgets due to University Accounting from all cabinet areas other than Provost and Vice President for Academic Affairs
May 5	Signed proposed budgets due from Provost and Vice President for Student Affairs. Cabinet reviews summary of proposed budgets by area and priority, develops review projections. Areas identified for further review, and preliminary budget developed.
May 26	Summary information prepared and submitted to IHL for June Board agenda.
June 15	IHL Board meeting

Faculty Senate Update –

Lee Crouse announced that the next Faculty Senate meeting is set for April 21.

Staff Council Update –

Tyler Wheat said Staff Council will have staff awards this year and the nomination form is on the website. Staff Council has a meeting next week.

SGA Update –

No update.

Other Updates –

Karen Clay reminded the group that the unconscious bias workshop with Dr. Sonel Shropshire will be held Wednesday, April 26 at 2 p.m. in Parkinson 117.

Rodney Godfrey said the first phase of the router switch over will happen later this month and that he made a wifi adjustment last week.

Dr. David Brooking reported that his office is in the process of applying for a Title III grant that will provide additional staffing and equipment to assist with increasing retention and graduation rates.

Dr. Kim Whitehead said the Nell Peel Wolfe Lecture/Honors Forum featuring Peggy Wallace, who is a MUW graduate and civil rights activist, went well. She said it was a fitting end to The W's year-long commemoration of the 50th anniversary of the university's desegregation.

Amanda Powers announced that campaign to name the library robot will start soon with the goal to announce the name by the end of the semester.