

Minutes of February 17, 2011 Meeting

The meeting convened at 2:00 p.m. in room 817, Cathedral of Learning.

UPBC members present were: Patricia Beeson, Shirley Cassing, Jerome Cochran, N. John Cooper, Mary Crossley, Jacqueline Dunbar-Jacob, Beverly Ann Gaddy, Paul Munro, Arthur Ramicone, Steve Ruperto, Jerry Samples, William Shields, Molly Stieber, and Gwendolyn Watkins.

Also present were: David DeJong, Rich Henderson, Benoni Outerbridge, and Paul Supowitz.

Not present were: John Baker, Diana Browning Stephen Carr, Judith Erlen, William Harbert, Arthur Levine, Angie Peskie Coldren, Michael Lotze, Michael Pinsky, and Jesse Steinberg.

Minutes of April 29, 2010 Meeting

There was a motion to approve the minutes of the April 29, 2010 Meeting. The motion was seconded. No discussion followed. The minutes were approved unanimously.

Report of the Chair

Provost Beeson began with an overview of the University's Planning and Budgeting System (PBS), which began in 1995. The presentation began with background on the creation of the system, and an overview of measurable improvements in academic quality and performance that have been realized following its creation. She discussed the structure of the system, along with a description of the major sources of revenue and expenditures of the University budget. Budgeting challenges were discussed, including: salary gaps for professors in public versus private universities; low levels (relative to public peers) of funding from the Commonwealth, and corresponding high dependence on tuition as a source of revenue; declining (real) federal funding for research; and the steady decline in the number of high school graduates in the Commonwealth. The presentation concluded with a sketch of the timeline followed for establishing the budget.

Discussion of the University's FY 2012 Commonwealth Appropriation Request

Paul Supowitz discussed the University's FY 2012 Commonwealth Appropriation Request. Mindful that the Commonwealth faced a budgetary predicament with the loss of federal stimulus money, the University nevertheless submitted a request that reflected its needs; thus the request was for a 5% increase. Mr. Supowitz explained that in the past, the appropriation was issued under a separate bill that included line items for differently types of expenditures (e.g., for disadvantage students), but that in recent years these line items have been rolled up into one line called General Support. However, the University still provides information on the line items so legislators can see how appropriation dollars are spent.

Discussion regarding the Commonwealth's budgetary shortfall, and potential implications for the University's appropriation, followed. Provost Beeson indicated that the Governor's proposal for the appropriation would be known in early March, but meanwhile preparations for cuts under various scenarios are underway. Mr. Supowitz said that his office has been emphasizing to the legislature the University's economic importance to the region, and the lack of growth in the appropriation in recent years.

Revenue and Cost Attribution

Art Ramicone provided background on the purpose of Revenue and Cost Attribution, which is to attribute to units a portion of those revenues and expenditures that are not directly related to that unit – in areas such as public safety and other central units. He then noted that the utility of continuing these studies has been discussed previously: while the studies are difficult to produce and do not provide guidance to the administration as a planning tool, faculty representatives have found them to be of interest and have requested continuing updates. Based on the historical stability of revenue and expenditure percentages generated by past studies, it has been proposed that in moving forward, the studies will be conducted every three years, with the next study due in FY13.

In response to questions regarding the methodology used to achieve attribution, Mr. Ramicone described the process as being based on a complicated and sophisticated model that takes as input revenues and costs of the central units, along with information on aspects of the decentralized units such as headcount, square footage, and the number of grants they generate.

Following the questions, a motion was made and seconded to accept the proposal to conduct the Revenue and Cost Attribution study every three years. No discussion followed. The motion passed unanimously.

Matters Arising

No matters arose, and the meeting adjourned at 3:25 p.m.