

Minutes of February 7th 2014 Meeting

The meeting convened at 2:02 p.m. in room 817 Cathedral of Learning.

UPBC members present were: Patricia Beeson, John Baker, Thomas Braun, Richard Colwell, N. John Cooper, William Harbert, Kathleen Kelly, Alan Lesgold, Monika Losagio, Arthur Ramicone, Jem Spectar, Michael Spring, Donald Ulin, Frank Wilson, Ray Wrabley, and Chad Zutter.

Also present were: Cassie Brenner, Amanda Brodish, David DeJong, Rich Henderson, Al Novak, Paul Supowitz, Kathy Tosh, and Thurman Wingrove.

Not present were: James Cassing, Jerome Cochran, Monica Costlow, Ryan DeCaro, Jonathan Harris, Arthur Levine, and Susan Patton.

Minutes of April 25th 2013 Meeting

There was a motion to approve the minutes of the April 25th 2013 meeting. There was no discussion. The minutes were approved unanimously.

Report of the Chair

Provost Beeson thanked the committee members for their service on the committee and reminded them of the confidential nature of all UPBC and subcommittee meetings. Beeson also thanked Alan Lesgold for Chairing the Parameters Subcommittee. She reminded the committee of its responsibility to make recommendations about three budget parameters: salary pool increases, tuition rates, and various line items in the budget.

Beeson discussed the structure of the budgeting system, along with a description of the major sources of revenue and expenditures of the University budget. Budgeting challenges were discussed, including: low levels (relative to public peers) of funding from the Commonwealth; the steady decline in the number of high school graduates in the Commonwealth; high dependence on tuition as a source of revenue in light of concerns about rising student debt; declining (real) federal funding for research; and salary gaps for professors in public versus private universities.

Update on FY2015 Commonwealth Appropriation

Paul Supowitz reviewed Pitt's Commonwealth Appropriation from FY13-FY15, noting that the Governor's proposal for the FY15 budget features flat funding. Supowitz discussed other sources of revenue to the university (e.g., federal research funds) and concerns about the state budget (e.g., pension liabilities). He noted that Pitt Day in Harrisburg is March 18th.

Budget Update

Art Ramicone discussed the FY14 university budget. He noted that although there was little variance in the overall budget between FY13 and FY14, there was sizable variance within categories. For example, the school of medicine's budget is down due to the sequestration and the expiration of ARRA grants. In contrast, auxiliaries are up and tuition revenue has remained relatively flat. Ramicone reported that Pitt's endowment recently exceeded \$3 billion. He also noted that there is more uncertainty for FY15 than there was for FY14, due, for example, to the filling of many previously unfilled but budgeted faculty positions.

Matters Arising

Provost Beeson noted that a meeting of the Board of Trustees had been convened for Saturday, February 8th.

The meeting adjourned at 2:50 p.m.