

Minutes of February 8th 2016 Meeting

The meeting convened at 3:05 p.m. in room 817 Cathedral of Learning.

UPBC members present were: Livingston Alexander, Patricia Beeson, Jeanine Buchanich, Richard Colwell, Timothy Folts, Beverly Gaddy, Tony Gaskew, Nasreen Harun, Pat Kroboth, Ron Larsen, Monika Losagio, Kathleen Musante, Dean Nelson, Arthur Ramicone, Lindsay Rodzwick, Andrew Rose, and Frank Wilson.

Also present were: Amanda Brodish, David DeJong, Rich Henderson, and Steve Wisniewski.

UPBC members not present were: Larry Carr, James Cassing, Jonathan Harris, Jerry Holder, Zsuzsa Horvath, Arthur Levine, and Chad Zutter.

Welcome and Introductions

Provost Beeson thanked the committee members for their service and reminded them of the confidential nature of all UPBC and subcommittee meetings.

Minutes of April 24th 2015 Meeting

There was a motion to approve the minutes of the April 24th 2015 meeting. There was no discussion. The minutes were approved unanimously.

Report of the Chair

Beeson compared the recommendations made by the UPBC with the parameters approved by the Board of Trustees for FY2016. Beeson announced that she allocated a portion of the academic initiatives money to salary increases for part-time faculty on the regional campuses. This was based on the findings from a year-long examination that revealed the salaries of part-time faculty on the regionals lagged behind both part-time faculty on the Pittsburgh campus and full-time faculty on the regional campuses.

Beeson provided a history of the commonwealth appropriation at Pitt, noting that Pitt became a state-related university in 1966 and received its first full-year appropriation of \$27.6 million in 1968. Adjusted for inflation, the 1968 appropriation was larger than the nominal appropriation we received until 2012, when Pitt's appropriation decreased by 30%. Today (FY2015), Pitt's commonwealth appropriation of \$147 million is just 77% of the 1968 appropriation, adjusted for inflation.

Beeson provided an update on the FY16 and FY17 commonwealth appropriations. She noted that while the FY16 preferred part of the state budget has been funded, Pitt and the other state-related universities are part of the non-preferred budget, which has not been funded. Accordingly, Pitt continues to operate without the commonwealth appropriation. Lawmakers in

Harrisburg appear to be supportive of funding for Pitt, but are unable to reach an agreement with each other. Committee members asked what contingency plans Pitt has developed in the event of no funding from the commonwealth. Beeson stated that the administration is exploring options, although there is currently no formal plan. Beeson highlighted that Pitt has the character of a public institution and values the relationship we have with the state. The committee discussed strategies to leverage the impact of the upcoming Pitt Day in Harrisburg.

Beeson briefly described the major sources of revenue 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 Pennsylvania; declining (real) federal funding for research; and salary gaps for professors in public versus private universities.

Budget Update

Art Ramicone discussed the university budget. He noted that Pitt fronted PHEAA grant financial aid for students and that Pitt received this money last week for the fall semester; the money for the spring semester PHEAA grants is promised soon. He indicated that Pitt will run out of cash in March. His office is considering borrowing from established lines of credit, a strategy that will not negatively impact Pitt's credit rating. Given the delay in the approval of the FY16 operating budget, unit-level budgets and salary increases are being processed now – an activity that usually happens in the summer. Enrollment projects for FY17 are being made and will be analyzed for anomalies.

Matters Arising

Rich Colwell asked for clarification on how the additional 0.5% salary increase for employees making \$45,000 or less is being allocated. Ramicone confirmed that the salary increase process is set up such that any employee making satisfactory progress who earns \$45,000 or less will receive the additional 0.5% salary increase.

Lindsay Rodzwick noted that many employees are confused about when and how salary increases will occur. She suggested that communication regarding salary increases could be improved through better messaging from the individual units.

Pat Kroboth offered thanks to the administration for their commitment to retaining faculty and staff through the generous salary increases offered this year.

The meeting adjourned at 4:12 p.m.