

**Joint Planning and Budget Committee
Meeting Minutes
Thursday, November 15, 2018
8:30 – 10:30 a.m., 220 Seymour**

ATTENDEES:

Voting Members

David Bloom
Steven Breslawski
Samantha Dicanio
Scott Haines
Tom Hernandez
Debbie Jacob
Sara Kelly
Kadathur Lakshmanan
Brooke Leddon
Teresa Major
Brad Menear
Dave Mihalyov
Cherise Oakley
Kathy Peterson
Summer Reiner
Susan Stites-Doe
Jay West
Katy Wilson

Non-Voting Members

Denise Copelton: Co-Chair
Crystal Hallenbeck
Karen Riotto
Jim Wall: Co-Chair
Melissa Wight
Jim Zollweg

Guests

Eileen Daniel –
attended on behalf of
Katy Heyning
Dawn Footer

REGRETS:

Voting Members

Mike Andriatch
Frances Dearing
Katy Heyning
Jose Maliekal

Non-Voting Members

President Macpherson

The meeting was called to order at 8:32 a.m.

Announcements

- Dr. Copelton reminded members that the Investment Fund Subcommittee would be meeting on Thursday, November 29, 2018 at 9:00am in 220 Seymour. This meeting will

go over the scoring rubric and there will be training on how to use the scoring rubric in Mach Forms.

- Dr. Copelton stated that the two information sessions for the individuals who were invited to submit full proposals were conducted last week. There will be feedback received about these sessions later on in the application process to help us assess how well these sessions went.
- Dr. Copelton stated that the authorization forms for the applicants that were requesting technology, facilities alternation or a stipend as part of their budget in their proposals were due on November 14, 2018 to the respective parties. Stipend Authorization Forms went to Deans or Vice Presidents depending on if the individual is faculty or staff. Facilities Alternation Forms went to Jim Wall and the Technology Request Forms went to Bob Cushman. The full applications are due on Friday, November 30, 2018. This is to allow the subcommittee members time to review and score applications over break.

Approval of the Minutes

Dr. Copelton asked the committee to review the minutes from the October 18, 2018 meeting. With no corrections, Dr. Breslawski motioned the minutes to be approved, Dr. Peterson seconded the motion, and all present voting members were in favor. Therefore, the minutes were approved.

5-Year Financial Model Update - *presented by Mr. Jim Wall, Vice President for Administration and Finance*

Note: Presentation is available on Blackboard

The following are questions, answers and discussion points that occurred during the presentation:

- A question was raised regarding the status of the MetroCenter. Mr. Wall stated that we are in the process of selling the MetroCenter. Most departments have been moved to the fifth floor of REOC and we are moving the Small Business Development Center (SBDC) into the Chambers of Commerce building in Rochester. The operating costs for the building will be removed in the academic year of 2019-2020 and the revenue from the sale will go into capital expenditures for the campus.
- A question was raised regarding the UUP salary increases and the compression. Last time the model was presented the salary increases and compression were included. It does not appear that the compression is included in this one. Ms. Riotto and Ms. Hallenbeck stated that the calculations were based solely on the salary increases and there is a .5% DSI built in that is supposed to be used for compression.
- A question was raised regarding the percentage of graduate enrollment being higher than undergraduate and if this projection is accurate. Dr. Daniel stated that the programs for the new MBA and Nurse Practitioner (MS) began this semester. In addition, we have a Higher Education Administration program under review as well as an Instructional Design program. We are hoping that these programs will be approved and can start in the near future. There is also an Athletic Trainer Master's program starting around 2020. These numbers appear to be realistic.
- A question was raised regarding the Performance Improvement Funds and once the State funding is no longer available, how will it be determined which programs will be

financed by campus funds. Mr. Wall stated that there would be a formal review process by Cabinet.

- A concern was raised regarding the reserves and given the budget cuts that were made in the past, is the campus going to be able to sustain with the reserves listed in the presentation. Mr. Wall stated that when staffing was eliminated, other staff members took on more work without enough resources. Work processes need to be reviewed to determine a more efficient way to complete work. Once that is done, that will help the bottom line.
- A concern was raised regarding the last time we went through a financial exercise, construction fund money was used to help with expenses. It is the hope that this does not happen again as there are construction projects that have been put on hold that need to be completed. Since we can see now what the concerns are for the next five years, it is hopeful that we find different solutions to pay for expenses instead of using the construction funds as it was done in the past. Mr. Wall stated that the solution of using construction funds is not sustainable, as the issue will keep returning. There is still enough time to review and determine solutions for the reserves.
- A suggestion was given as to a way to help the reserves is to add more undergraduate students, pending the number it would take to help with the two million dollar deficit in the reserves. Mr. Wall stated that an analysis could be done to see how many graduate and undergraduate students could be added before additional services were needed, as we do not need extra expenses. Dr. Wilson stated that the Enrollment Management Committee is a standing committee that reviews these types of scenarios. We need to be mindful that over half of the students that walked away last year were in good standing; it was an issue of debt. It is not necessarily an academic preparation issue; it is a financial issue for the student. We also cut back in the number of accepted students in transition and we still yielded almost as many students as we have in the past. If we were to accept more students, it would be in the transition range; two-thirds of those students are successful and one-third of them are not. We would have to think about how much we would have to add to advising and tutoring. That is why Academic Affairs has been working so hard to implement these new programs. We have lost over 1000 graduate students over a ten-year period and this is a national trend. The more we can add to graduate, the more we can save. It is about weighing the solutions and determining the best place to put resources between need based aid, support mechanisms, or faculty to prepare for new programs.
- A request for clarification was asked regarding the Main Drives slide. The biggest impact was from salary and the highest impact year was for 2018-19. Was this due to the retroactive payments for UUP? Mr. Wall stated it was. A follow-up question was raised as the retroactive payments were factored into the last model and this model has different numbers than the last one. Ms. Riotto stated with the timing of the last model, the salary information that was listed was not as accurate as the current model, but the salary information was factored into the last model. Ms. Hallenbeck stated we did not have all of the data on the UUP raises for the last model and decisions were made to fill some long term vacancies, so that is reducing our salary savings which is factored into the current model.
- A question was raised regarding if there is any data available on the impact of the Excelsior program. The impacts it is having on our enrollment and on our bottom line.

Dr. Wilson stated that we do not have enough information yet. A trend that was noticed last year was that students who live within the drivable range are electing to drive to campus instead of live on campus, which impacts meal plans and housing, but it is still too early to know the level of impact. Ms. Major stated that college offices are still working through the challenges of the implementation of Excelsior and it is still too early to say the impact as some students' accounts from fall 2017 are still listed as pending, as funds have not been received.

- A request for clarification was asked regarding the translation of graduate students and the number of credit hours used to calculate the numbers for the model. Ms. Riotto stated that the calculation is based on historical trends and the revenue projection calculation requested by SUNY. In addition, Resident, Non-resident, Excelsior and Non-excelsior student cohorts are factored into the calculation and imbedded into the revenue projection part of this model.
- A question was raised regarding the percentage of staffing cost versus operational cost. This information is being requested to see where we can make changes to help with the reserves. Mr. Wall stated that the best way to determine what changes can be made is to first determine the actionable finances. In order to do that we have to determine our fixed costs, variable costs, etc. Mr. Haines asked once this was determined, if it could be shared with this committee. Mr. Wall agreed.
- A question was asked regarding the knowledge that SUNY was going to advocate with the State for funding to help offset the salary expenses. Mr. Wall stated that we have received a request for information that will be sent to the Chancellor. The Chancellor will be bringing the information forward from all of the schools in terms of what the salary increases were and what areas did they impact the most.

Other Items from the Committee

None at this time.

The meeting was adjourned at 9:10 a.m.

Next Meeting: December 6, 2018, 8:30-10:30 AM

DC/JW/mw