

University Budget Committee

Tuesday, October 10, 2017 3:30 – 5:00 MCM 305

AGENDA

1. **Welcome** (Butterfield and Hoar)

List of members [UBC 2018](#)

Professor Butterfield introduced himself to the UBC members: he has been at MSUB for four years but it is his 23rd year teaching. He has quite a bit of committee experience and is pleased to be co-chairing the UBC.

2. **UBC Documents**

- a. Agendas and Meeting Notes in are posted in the [UBC Box Folder](#)
- b. [UBC Meeting Summaries](#) are posted on the Budget Office Webpage

3. **Budget Basics Information session Monday 10/16 3:30 LA 205**

Trudy Collins, Budget Director will be holding Budget 101 training; this session is open and everyone is welcome to attend.

4. **FY 2018 budget savings plan**

Each week we are hearing more about the state's biennial budget situation.

For FY 2018, we may need to give up anywhere from 0 to 10% of state support that MSUB receives.

Tuition change could affect FY 2019 but not this year, FY 2018. There is not time to approve a tuition increase for spring; however, if there are tuition increases for FY 2019 they could be as early as summer 2018.

For the FY 2018 shortfall, the Vice Chancellors and the Executive Budget Committee are looking for dollars to address and have the following ideas:

- Temporary salary savings from open positions
- Funding changes on a one time basis
 - GSP salaries and operating expenses moving to IDC funds
 - Some one-time coverage of staff salaries in other areas
- Reserves

- University reserve will absorb whatever shortfall we end up with for FY 2018. This is our rainy day fund. No one is comfortable using too much of this fund. The University reserve is limited to 5% of previous year's revenue. We had already decided to use some of those funds for budget balancing; we may be dipping into this further. BOR has to approve this use of funds. Once used it is gone.
- Retirement reserve
- Enrollment reserve built into our budget

5. FY 2019 budget reduction process

We don't know what to plan for FY 2019 so this is a more difficult conversation.

There is talk of a special legislative session to deal with state funding shortfalls. Some possibilities if there is a special session: may hold higher education harmless, may change balanced budget amendment, may reduce state rainy day fund of \$148 million.

We have been asked to look at all categories in the budget for FY 2019. If we have to implement a 10% reduction in state funding, what is the amount and what is the potential impact. Financial Officers are working together trying to figure out how to approach this. They are working on a formula to use to show impact via an equivalency number of positions. This is to be completed next Monday and provided to MSU Bozeman to review.

How should we go about FY 2019 budget build?

EBC discussing this issue. Should we do 3, 5, and 10% reduction exercise?

There is no confidence this can be done at line item level like it has been done before. The size of the gap is going to affect the approach we take. Idea is to look at suggestion box type of approach and open it up wider.

Faculty have already taken a step in this direction; Chair of Academic Senate has called three meetings called "think tank" Faculty are going to throw some things against the wall and see what sticks. There are other shared governance groups on campus including students. Should we ask them to approach in similar way as Academic Senate?

To clarify, a 10% cut would apply only to the state portion of our budget. The state portion is approximately 50% of our general budget – 1.8 to 2 million dollars.

There is an approval process for fee changes. Every two years fee changes can be requested. This last year we were told not to put forward any mandatory fee changes. OCHE said no fee increases this year because of raising tuition throughout the state.

Within MSUB there is a robust process through which we vet the fees. In Student Affairs much of their budget is not state funds. For example, Student Health Services is totally reliant on student fees to operate.

Planning for future, need to look at ways to raise revenue. We need to have conversation. If something makes sense to our campus we ought to advance that discussion.

Decision was made to reopen suggestion box survey to all MSUB confidentially but not anonymously.

We are all reminded: this is a state budget issue. All state agencies are taking hits. We are taking our share of the cuts.

6. Future meeting date: November 28th

Resources:

If you have difficulty accessing the Box folder please contact Trudy Collins.

[Budget Office Webpage](#)

[UBC Box Folder](#)