**Budget Issues Committee**

**February 26, 2014**

Members Present: Michelle Alston-Brown, Connie Clark, Jamie Fernandes, Dawn Gamadanis, Steve Head, Amanda Neff, Robin Wade, Russ Williams

Members Absent: Arisa Burgess, Jan Fackler, Melanie White

Ex-Officio member present: Tracie Dixon

Meeting called to order at 9:45

Agenda topics:

 ***Memberships and election process***– under current committee by-laws, members serve two-year terms and can be nominated to serve an additional two-year term. Of the 12 member committee, there are nine members and the chair that will have their initial two-year term expiring in December 2014. If most or all members end their term it will create a large void that could hamper or stall the committee’s goals. The committee discussed several options in regards to nominations and elections. The options included soliciting nominations or volunteers and require completion of a form for which the committee would use when voting. Another option was to simply rotate membership within each sector, thus allowing each institution the opportunity to serve. For the research and comprehensive sectors where there are only 4 institutions per sector, this would mean much quicker rotation. It was decided that the chair (Dawn Gamadanis) would give thoughtful consideration to each option discussed and make a recommendation back to committee prior to or at next meeting.

The chair discussed the current vacancy for state colleges and that three individuals had volunteered of which one was from the same institution as our previous member (whom took a long term medical leave). The committee voted to add the individual that worked at the same institution as the previous member.

 ***Revenue Projections*** - Member institutions were tasked with providing to the Chair prior to the meeting a description or model of how revenue projections were calculated at their institution.

KSU shared their model (also available on BIC website) which uses a derived tuition rate based on actual revenue to make projections (subsequent fall semester) and then uses historical trends to project spring and summer revenues. The derived rate takes into consideration waivers. Enrollment data is provided by Office of Enterprise Information Management.

GRU uses enrollment times new tuition rate calculation, with PT students credit hours multiplied by the per hour rate and full time headcount multiplied by the full time rate. Projection is calculated by each semester. Each college is assigned a waiver rate, which is then applied to the projected tuition revenues. Wavier rates are derived by incorporating trend data by waiver category and forecasting the waivers by semester. Tuition projections are made against actual enrollment data from the previous year, the projections does not include projected enrollment increase made by the colleges. This is a very conservation approach and has resulted in 14 straight years of not reducing tuition budgets during the year. Enrollment data is obtained through the Office of Institutional Effectiveness. All other revenue reported is based upon trending data over the last three years, by quarter.

VSU divides actual revenue (net of waivers) by credit hours to get revenue per credit hour by student type and term. The latest semester information is used for revenue and credit hours in the calculation. An adjustment is made based on expected increase or decrease in credit hours and tuition increase. For the FTE information, the previous fall and summer fact book enrollment data is used and adjusted by the percentage of growth expected.

CSU’s comptroller is responsible for providing revenue projections. The Office of Institutional Research provides all of the headcount and FTE data.

The committee did ask Tracie Dixon to address why the form requires as much detail for headcount and FTE and how is the information used by BOR Fiscal Affairs office. The question of timing was discussed in regards to why the information is needed in December. Tracie indicated the timing was due to the budget recommendations made in January. Tracie will follow up with Tracey Cook or John Brown. The committee recommended less detail for the projection since it is required so early in the year.

 ***Budget Prep Fit/Gap and KK Fit/Gap review-***

*Budget Prep fit/gap* sessions have been moved to May. Several of the issues identified on the tracking log will be addressed during the fit/gap sessions and some issues have already been resolved. Please refer to the budget issues tracking log on the BIC website for updates.

The committee reviewed the comments to the BOR ITS questionnaire sent out to the fit gap participants in February. These items will be addressed in fit/gap and shared with the committee and on the BIC website after fit/gap sessions.

*KK Fit/Gap –* Dawn Gamadanis shared with the committee that there were many budget related items addressed at the first day of KK fit/gap but very few if any of the participants were from the budget office. This is a real concern and Dawn has asked ITS to consider reviewing the KK processes again with some input from the BIC or Budget Prep fit/gap participants. Dawn did relay some information from the KK fit/gap sessions including the following:

 1) Upgrade will allow ability to attach documents to journal entries.

 2) Use of Budget Holds

 3) Change to “types” of budget amendments. Remove option for “original” as all journals after the original budget should be “permanent” or “temporary adjustments”.

 4) Discussion of possible electronic approval of budget amendments similar to ePro.

 5) KK security – w/upgrade there will be “events” for such items as budget override, budget transfer, etc. Rules can be setup to restrict these “events”. Some of this functionality exists already and is being uses by institutions.

 6) With the upgrade there will be more custom reports (profit/loss, grant reconciliation, etc.)

Dawn also surveyed the committee as to how many institutions use the current PS functionality that allows for budget hold/close for the purpose of inactivating chartstrings or placing a project on hold. There were no members that indicated use other than KSU. The process (KK\_010\_002 Maintaining Budget Attributes) was shared with the group for consideration at their institution.

*Committee adjourned at 2:55 p.m.*

**Next Meeting:**
June 4, 2014