

BUDGET & PLANNING COMMITTEE

Agenda – May 15, 2007

1. Discuss FY2008 Spending Plan
2. Review Operating Fund budget to actual from March 2007
3. Other

Minutes - April 17, 2007 – revised 5/16/07

Present: J. Blake, P. Boppert, P. Brucker L. Brule, J. Dolan, R. Gingrich, R. Herron, P. Madonia, B. Mallick, M. Rock and R. Sheeley

Absent: E. Anderson, G. Appleby, J. Bloch, J. Granfield, D. Pearson , P.J. Rossitto and S. Williams

1. Call to Order

The meeting was called to order at 3:00 PM.

2. Departmental Budget Process for 2008

The departmental budget process will follow a similar format – as previous years. The discussion focused on the following:

- Searches have been initiated for new *faculty* (6 positions) and conversion of part time faculty to full time (11 positions) which are estimated to impact next year's budget by \$700,944.
- There will be a new “first year experience” FYE for new freshman rolling out this fall. This initiative calls for a reallocation of resources from the current orientation program but will still require an estimated \$150,000 to \$200,000 in new dollars.
- More resources are being allocated to need based financial aid. Current policy mandates that public universities set aside 15 percent of tuition and information technology fee revenues for need based aid. In FY2007 Southern set aside almost 17 percent and in FY2008 the University plans on setting aside almost 18 percent or an increase of \$708,021.
- Unrelated to strategic initiatives the University operations will be impacted by increased energy costs. Rates for electricity are expected to increase by 50 percent. Despite increased conservation effort the current estimate for the non auxiliary side of the energy budget will increase by in excess of \$1.3 million next year.
- There will be no inflationary adjustments for OE, Discretion PS.
- Opportunities for new operation dollars will need to tie to the strategic plan.
- New Positions – VPs have been asked to submit priorities for new positions.

3. 2008 Spending Plan

The committee reviewed the Chancellor's April 2nd Spending Plan letter to the Presidents. Essentially the process was the same as previous years.

The CSU Spending Plan calendar was reviewed. Southern's draft budget was due in the System Office May 4th.

J. Blake indicated that at the May meeting the draft plan would be shared with the committee

4. Comparison 2007 to 2006 – Operating budget to actual

L. Brule distributed a report for February's Operating Budget which compared 2007 to 2006. Operations were on track as planned.

5. Energy

J. Blake distributed a worksheet for Southern's 2 largest UI accounts that compared costs from the January – March 2007 to January – March 2006. The per Kwh charge increased from .10 cents to .21 cents. The impact amounted to a \$430,000 increase in electricity expense for the three month period. The committee discussed strategies for reducing energy consumption.

5. Adjournment

The meeting was adjourned at 4:00 PM.

Respectfully submitted

James E. Blake
Executive Vice President