University of Utah

Faculty Budget and Planning Advisory Committee

Annual Report

2012 - 2013

1. Committee Membership: Enrique Aleman, Susan Beck, Connie Bullis, (Chair) Scott Hagen, Kent Lai, Bob Lutz, Sanja Miskovic, Nicholas Schapper

2. Meetings:

<u>September 28, 2012. Organizing meeting</u>.

The committee discussed its role, goals, and possible future agenda. The committee reaffirmed its role as disseminating important information to the faculty, understanding the budget process in order to represent the faculty voice in the decision making process, maintaining positive relationships with budget officers, being vigilant regarding budget decisions and transparency of such decisions, and maintaining connection with the Senate. The committee also discussed the continued need to become more proactive and involved. Some needs discussed were to understand how the budget is put together, how priorities are determined, how the SCH model effects various unity, and how the proliferation of centers may have unintended consequences. Further, the committee wondered how the Council of Academic Deans makes decisions effecting various colleges, and how is the master plan for the campus formulated.

<u>October 19, 2012. Meeting with Associate Vice President Cathy Anderson</u>. (Susie Beck, Connie Bullis, Kent Lai, Nick Schapper)

The committee discussed its concerns with Cathy Anderson.

Cathy Anderson explained that a subcommittee meets in August and uses goals in its deliberations. Getting 66% of Utahns to have degrees (Prosperity 2020) is a major goal in Utah. Although this focuses on all degrees and vocational certificates, there is an emphasis on undergraduate funding.   Better graduation rates are continuing to be sought.   Cathy again discusses the continuing shift in funding away from state funding and toward more tuition funding as education is increasingly viewed as a private good rather than a public good. At the same time President Pershing has committed to keeping the cost affordable for students. This makes budgeting increasingly difficult.   Cathy explained Tier 1 and Tier 2 tuition funding, the Board of Trustees, Board of Regents role, and legislature's role in budgeting. She described how funding flows to units within the University. Cathy suggested that the committee meet with Jason Perry, the University's liaison with the legislature. She suggested there is a conversation about how to determine how many of what type of degrees should be produced while

maintaining quality. Cathy explained the two pieces of the budget from the legislature including an education appropriation and a building and infrastructure appropriation. It became clear that the setting of priorities, principles, and long term allocation plans occurs through multiple processes which are not clear and not transparent. A committee priority was to determine how the committee might provide a faculty voice in setting priorities and long term principles for allocating funding.

December 3, 2012. Meeting on the role of FBPAC. (Connie Bullis, Bob Fujinami, Scott Hagen, Sanja Miskovic, and Nick Schapper)

The meeting focused on the need to develop a way to be involved in budget priority setting, capitol planning, and principles of budget allocation. A set of questions were developed which Bob Fujinami forwarded to the interim Academic Vice President, Mike Hardman. Questions addressed how strategic planning is done (when and by whom); when, how and by whom budget priorities are set ; when, how and by whom budget policies are set; how, when, and by whom budget allocation decisions are made. Bob reported back that Mike Hardman has assigned Cathy Anderson to respond to these questions. Cathy Anderson later reported that she would respond during the 2013-2014 academic year, once she consulted with the incoming Academic Vice President.

January 11, 2013. Meeting with Bob Fujinami and Pat Hanna.

We discussed the need to compare our charge with other PAC-12 university charges. Many of the PAC 12 universities have far more specific charges with more voice in budget at decision making points. Pat Hanna determined that the University of Utah charge is broad and allows for a more active committee. She decided there is no need to change the charge but rather to focus on implementing the charge differently. She met with the Senate Executive Committee January 14 to gain agreement on this.

April 5, 2013. Meeting with Cathy Anderson on legislative wrap up (Cathy Anderson, Susie Beck, Connie Bullis, Kent Lai, Nick Schapper)

Cathy presented a legislative update. She also discussed difficulties with NSF and NIH funding and suggested that Pell grants will be cut in the next academic year. The University was given permission to admit a larger medical school class size (up to 122 during the coming year)

She announced that there was a non-base funded increase for health insurance but no salary increase from the legislature though 1% , to be used for merit, would be garnered from tuition. The principle that is driving changes in legislative funding is that students should be paying a higher share of the costs.

Cathy explained mission-based funding and the programs within the University that received some mission-based funding. She explained that the University received permission (but no funding) for Phase 2 of the planned Kennecott remodel for engineering and a basketball training center . She explained other bills that effect the University (such as SB 190 on Procurement revisions and HB 391 relating to Medicaid, and SB 129 on higher education tuition waivers). There is a 5% tuition increase which is a Tier 1 increase (but, given that student fees are not up 5% the actual increase for students if 4.4% for tuition and fees).

Cathy explained that the higher education appropriations committee will be working in August and September. Top priorities are identified on campus at that time. This committee might be helpful at that time in sending that information to faculty.

The committee discussed potential for being more involved at that time.

3. Considerations. The committee again appreciates Cathy Anderson's willingness to meet and share information and advice. She was, again, more than generous and helpful.

4. Recommendations.

Now that a new VP for Academic Affairs has been appointed, it will be important to establish an ongoing relationship with the new VP for Academic Affairs.

Meet with and re-establish relationships with additional administrative officers, including Vivien Lee, Larry Dew, and/or Cynthia Best in Health Sciences and Eric Denna, Chief Information Officer in the President's Office.

Continue to pursue information from administrators on the Venture Capital Fund

Monitor the OBIA website for continual updating and transparency.

Maintain relationships with Associate VP Cathy Anderson and with the senate leadership.

Pursue administration's responses (through Cathy Anderson) to the questions posed by this committee and forwarded through Senate President Bob Fujinami to Interim Vice President Mike Hardman. Cathy Anderson should provide responses to those questions. The committee can then seek ways to be informed and represent the faculty voice as budget priorities are set, budget policy is made, and budget allocation principles are determined.

Re-consider ex-officio members on this committee. Although the committee decided not to have ex-officio members during its deliberations in 2011-2012, it became clear during 2012-2013 that many PAC 12 schools do have ex-officio members, including such offices as the Senate President, Past President of the Senate, representative of the Council of Deans, Provost, Vice President for Budget and Finance. Student government leaders are sometimes included as well.

Meetings for this committee might be pre-set on a monthly or bi-weekly basis much like the Senate is pre-set and some other PAC-12 budget committee meetings are regularly scheduled. It is difficult to find meeting times when a critical mass of members can attend. If members could schedule their commitments around FBPAC meetings, this might be helpful in keeping momentum for this committee's pursuits.