

UNIVERSITY BUDGET COMMITTEE (UBC/COMMITTEE) MINUTES

12:30 P.m., Thursday, January 19, 2023

VIA VIDEO CONFERENCE, Zoom

<https://us02web.zoom.us/j/86972148927>**Present**

Shawnice Avilez, Jackie Benchik-Osborne, Judith Birgen, Bobbie Garner-Stewart, Michael Holmes, Azungwe Kwembe, Arrie Patawaran, Den Stark (Co-Chair), Roxanne Stevenson, Tereshia Weathers, Tajuane Wes, Guest: Delmika Crenshaw and Neromi Horton.

Absent

Ernst Coupet, Kevin Newell, Melany Puglisi-Weening, Valerie Riley, Pamela Sims.

Proxies

No proxies given.

Later in the meeting it was stated when the new bylaws were developed, the discussion held indicated that most University committees did not have proxies. It was, therefore, decided there will be no proxies for the UBC. Some members thought this will pose a problem as they have other meetings to attend and may need to have a proxy represent them. A question was asked if the person posing as one's proxy is actually voting on behalf of the one they represent.

The members were encouraged to decide if serving on the UBC is something they can do. As one of the administrators, that person can appoint someone to represent their area or they can decide which meeting they might need to attend when the meetings crossed. If an administrator is deciding on someone else to represent them, that representative must be another administrator and not a civil service employee.

Since Michael Holmes was in another meeting, Delmika Crenshaw sat in the meeting on his behalf until he could join the meeting.

Neromi Horton was invited as a guest by Den Stark. Bobbie Stewart joined the meeting but was not in a position to take minutes. She asked Neromi Horton to take the minutes and she will follow up later.

Roll Call

Neromi read the roll call and determined there was a quorum of eight (8) voting members. When others joined later, there were a total of nine voting members present.

Union and Faculty Senate Right to Representation

Judy Birgen stated the faculty union contract states the union and faculty senate have a right to representation and this point invalidates the vote from the UBC's last meeting. A person picked by the union is a voting member and that person is apart from the other members. There must be more than 15 members on the UBC. The union must be allowed to appointment a representative as well as the Faculty Senate, since this is part of their duty. The bylaws would have to be amended to allow the union to appoint their person as well as to appoint someone from the Faculty Senate.

With that declaration, the Co-Chair decided no votes will be passed to elect additional members and the approval of the previous minutes for November 17, 2022, December 15, 2022, and January 10, 2023, will be postponed.

Den Stark stated he will check with the President and Jason Carter, the University's General Legal Counsel. It was mentioned that Den should check with Valerie Goss in regards to the faculty issue. The Co-Chair is hesitant to amend the bylaws without process or without checking with the University's General Counsel.

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Nothing will be done in regards to the bylaws and any approvals. The Committee agreed to follow the remainder of the agenda and to add the concern around faculty membership first on the agenda of the next meeting.

DEFERRING APPROVAL OF PREVIOUS MEETING MINUTES**MOTION**

Judy Birgen moved to defer approval of the November 17, 2022, December 15, 2022, and January 10, 2023 meeting minutes. Michael Holmes seconded the motion. A voice vote was taken and the motion was approved unanimously with no oppositions and no abstentions. The motion is carried.

INTRODUCTION OF UBC CONSTITUENTS – Den Stark

The Committee's voting members consist of two students, six faculty, and seven staff. In addition, the Director of Budget and Resource Planning and the Co-Chair, who is also the CFO/VP of Financial Operations, are non-voting members. Everyone introduced themselves giving their title and area of work.

Students

Tajuane Wes is a senior psychology major and a member of the Alpha Kappa Alpha Sorority Inc., the National Council of Negro Women and is also a Resident Assistant.

Tereshia Weathers is a senior psychology major and is a member of the Black Student Psychology Association and the National Council of Negro Women.

Faculty

Jackie Benchik-Osborne Works in the College of Education and is an Assistant Professor of Elementary Education.

Judy Birgen teaches Undergraduate Sociology, is a Girl Scout Leader and serves on the Boy Scouts. Judy also is on the Union Negotiations Team.

Azungwe Kwembe is working on her doctorate degree and currently serves in the Library managing Acquisitions. She is in charge of bringing resources into the library.

Administrators

Michael Holmes, Vice President of Administrative Services, Budget Classification is Division V. Departments reporting under Administrative Services include Parking, Property Site Management, Mail Room/Central Stores, and Physical Facilities, Planning and Management.

Shawnice Avilez works in Enrollment Management along with Oscar Rodriguez, the division's Vice President. Shawnice is the division's ITD Manager providing administrative support.

Roxanne Stevenson represents the Chairpersons Association. She is the Director of Bands in the Department of Music. She leads the Marching Band, Concert Band and Jazz Band.

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Bobbie Stewart is the Director of Cashiering Operations and also is the Civil Service Council President.

Arrie Patawaran is the Executive Director of Budget and Resource Planning. Previously serving in this role, Arrie retired and after five months has returned to temporarily fill the position till July when the University hopes to have a full-time person serving in this role.

Dennis Stark is the Interim Head of Financial Operations serving as its Chief Financial Officer and Vice President. He also serves as Co-Chair of the University Budget Committee.

APPOINTMENT OF NOMINATING COMMITTEE – Den Stark

Den Stark asked permission of the Committee to appoint a Nominating Committee with the understanding that he would only be bringing the names of those to serve on the Nominating Committee. Nominations from the floor will also be allowed. The Committee granted permission and Den asked the following if they would serve on the Nominating Committee:

- Shawnice Avilez – Her response was yes.
- Pamela Sims – Was not present and Den said he will ask her at the next meeting.
- Azungwe Kwembe – Her response was yes.

If Pamela Sims turns down the offer to serve on the Nominating Committee, Den will pick someone else. The persons selected were those with long service. The UBC has another election in April and if those selected are not going off the Committee, there will be less turn over.

OVERVIEW OF NEW UBC PROCESS – Arrie Patawaran

Arrie shared her screen and first showed the list of subcommittees involved in the UBC process. There are five divisions.

The President's area listed those reporting to the President. This is Division I. The President will designate a direct report from her area to present the presidential budget.

Division II is Academic and Student Affairs.

Division III is Financial Operations with Accounting, Bursar, Budget Office and Procurement reporting under them. Jason Carter is currently over Human Resources and right now they are under the President's area. Donna Hart, who is the Interim CIO over the Information Technology Division (ITD), has a hybrid reporting status. Currently Donna is reporting to the President but ITD reports to Financial Operations.

Division IV is Enrollment Management led by Oscar Rodriguez and Undergraduate Admissions, Registrar, Financial Aid, etc. report under him.

Division V, Administrative Services, Michael Holmes is part of the committee. His area includes Parking and other University services.

The UBC will make recommendations to the President in terms of fiscal year 2024 – 2025 budget priorities for operating and capital. Priorities will go to the State, the Board of Higher Education and the Governors Office of Management and Budget.

CHICAGO STATE UNIVERSITY

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The Committee will want to have separate meetings with the five areas coming with their additional program monies they want to have in the next year. The Committee decides in context the reasonable amount of money available to spend and prioritizes and reduces the budget if necessary to achieve an overall balanced budget. How it works, the Committee will spend the money creatively and objectively. The University will ask the State for incremental increased funding. If the President thinks something is critical, the Committee will have to decrease one area to increase another.

Arrie showed the budget timeline on the screen, which she said is now outdated since the budget process is late getting underway. The next two fiscal years' budget priorities have not been set. The requests were sent in December and were due January 11th.

Divisions must collaborate with their department heads for their fiscal year 2024 – 2025 priorities. January 17th the UBC should have met to review the 2024 – 2025 budget requests received from the President and Vice Presidents. The budget timeline is available on the Budget and Resource Planning (Budget) website. Neromi can also send it to you. Arrie strongly suggested that everyone go to the Budget website because it will explain the UBC budget process.

The Governor's budget address to the State for FY2024 budgets is scheduled for February 15th, which is in just a few weeks. The UBC prepares the operating budget for FY2024 and 2025 for the budget address on February 15th.

BPAR – Budgeting, Planning, Assessment and Reporting

Arrie explained the new forms. Bernie Rowan is not a part of the UBC anymore, but the BPAR was created with the collaboration of Craig Duetsch, the President and Bernie Rowan. This is a more simplified form that needs to be filled out by the Unit Heads, Vice Presidents and the President.

The Budget Request is Part A. It is more simplified than the former PME (Planning, Measurement and Effectiveness) form. The Vice Presidents and President are supposed to get the forms out to the Unit Heads. On Part A the department lists their goals and plans that align with the strategic goals.

Part B – Planning and Implementation. Den will follow up tomorrow and resend the forms to make sure they have them and explain the forms. If you have questions, contact Bernie Rowan.

Currently, the budgeting forms are in three parts. Neromi was asked to combine the sheets to make one document.

Budget Call Forms

The Budget Office and the UBC do not see the BPAR and other forms. Not every request will go to the Budget Office. It must be filtered. The UBC forms are the same.

Form 1 – Operating Dollars. Departments must indicate for fiscal year 2024 – 2025 and list their priorities and number them. They must indicate how to fund the budget: Is it new money? Will it make its own, or will they have to reduce their budget to add this; reduce expenses and increase other budgets? Arrie gave an example of what is being requested under Letter A. That would be, for example, if Marketing wanted to increase their dollars.

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Another example in completing Form 1 is if the department has a position they do not want to hire, or they want to outsource, they must reallocate the monies for the position to their contractual line.

For capital requests, it is expected that Michael Holmes will make these presentations on behalf of the University as part of Administrative Services requests. These requests will be reported on UBC Form 3. If new budgeting is needed for this, the Provost and Mr. Holmes must identify the cost and indicate it will be a capital request. Capital expenditures are not a part of the operating expense budget.

UBC Form 4 – Grants. If a grant expires and the department wants the cost absorbed by University funds, UBC Form 4 would need to be completed.

These forms are on the Budget website, but Arrie will send the packet to Neromi to send out to the Committee.

Memo

Arrie showed on the screen the memo about the budget process she sent November 30, 2022. She always sends this memo and explains the process. The documents requested were due January 11th. She now must do a follow up. Arrie needs to know when the UBC will be ready to receive this information from the Division Heads.

UNIVERSITY DOLLARS – Den Stark

Den explained University dollars for the current fiscal year. The budget this year is \$86M. On the income side, this is primarily tuition and fees. State Aid makes up about \$40M with the other \$46M being the student tuition and fees, what they pay plus grants and loans they take out to give us this money.

On the income side, \$5M was included from prior year reserves, which are gains in the prior year used to balance the budget, plus \$3M of assumed unexpended salary dollars which is from salary and wages for which we never spend all. These monies are from vacancies. The actual number of salary source varies every year but 5% is a good estimate. Because such savings are also available to budget managers we must be careful not to spend savings more than once.

Departments can come to Den and ask for money for other things. One-time projects will be requested as well. If an employee's position is not filled for six months and those dollars amount to \$40K, those dollars can be spent. A person once hired is expected to be hired the next year, unless they are told otherwise.

This year's numbers are based on this explanation. It is preferred that salary savings taken from the top is used to move monies from point A to point B. Actual local income depends on how many courses are taken and we hope this will increase. In addition to tuition and fees, there is also room and board.

There is a new system beginning this fall where each student will pay mandatory fees based on a per credit hour charge. This charge was set to generate the same amount of revenue as this year assuming total credit hours remain the same, plus \$26.00 per student per semester for Athletics.

Next year the University wants to take "0" dollars from reserves, which means that unless "Local Income" from tuition and mandatory fees increase sufficiently to make up for this loss, there will be a problem to solve. The process in the next six weeks is for new projects to be identified for next year and for their cost less any income generated to be quantified. Costs for commodities and other areas are going up. The inflation rate is higher than it has been in 25 years.

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The cost of new space is in the capital budget; however, the cost of new people necessary to use that new space and other costs are not. The budget includes three categories: 1) tuition dollars and fees; 2) State money; and 3) new things the University wants to do. The goal is to present a balanced budget. The State of Illinois divides its tax dollars for higher education among 12 public universities and 85 community colleges.

UBC COMMITTEE MEMBERS AND SUBCOMMITTEES – Den Stark

Questions were asked about whether or not a UBC member list had been sent out to the Committee. This has not been done, but will be sent out tomorrow.

Den will send out a request to ask on which subcommittee(s) each UBC member wishes to serve; he may also call you to ask, if more members are needed on the subcommittees. Listed on the agenda under number 5 are the name of the subcommittees.

DATES OF NEXT MEETINGS – Den Stark

Number seven on the agenda are the dates of the next meetings. It is desirable that the Committee meet twice a week until what needs to be done is complete. Therefore, the Committee will meet every Tuesday and Thursday from 12:30 – 2:00 for the next few weeks. Meeting twice a week should be over by mid-term and then the Committee will return to a twice a month schedule. The next meeting is Tuesday, January 24th from 12:30 – 2:00 p.m.

Judy Birgen let the Committee know she will be in mediation with negotiations for the faculty contract.

ADJOURNMENT**MOTION**

Jackie Benchik-Osborne moved to adjourn the meeting. The motion was seconded by Azungwe Kwembe. A voice vote was taken and all were in favor. Therefore, the motion is carried.

The meeting adjourned at 1:52 p.m.