

CHICAGO STATE UNIVERSITY
UNIVERSITY BUDGET COMMITTEE (UBC/COMMITTEE) MINUTES

12:30 p.m., Tuesday, December 17, 2024, VIA Zoom:

<https://csu-edu.zoom.us/j/81206699970>

Present

Marcie Aranda (Advisor), Shawnice Avilez, Judith Birgen, Michael Holmes, Neromi Horton (Ex Officio Secretary), Liefu Jiang, Danielle Land, Nicole Latimer-Williams (Co-Chair and Advisor), Kevin Newell, Charlene Snelling, and Scott Upshaw.

Absent

Charita Barlow-Walls, Toni McCoy Smith, and Kerri Winston.

The meeting began about 12:35 p.m. The Committee did not have a quorum, but Nicole Latimer Williams, Co-Chair, stated that means no action could be taken. The Committee could still meet for informational purposes.

MEMBERSHIP

Introduction of New Member

Although not present at the meeting, Nicole acknowledged a new member of the Committee, Kerri Winston, the Director of Housing and Residence Life.

Additional members joined the meeting and a quorum was acknowledged.

APPROVAL OF THE OCTOBER 22, 2024, UBC MINUTES

MOTION

Charlene Snelling placed a motion to approve the October 22, 2024, University Budget Committee Minutes. The motion was seconded by Michael Holmes. A vote was taken and there were seven ayes, no nays and no abstentions. The motion passed.

BUDGET CALENDAR

Marcie Aranda shared her screen showing a copy of the budget calendar. She will resend the document to everyone after the meeting.

The budget proposal the UBC is working on is for FY27. We currently are in FY25, which started this past July and ends June 30, 2025. Budget year 2026 will start next year July 1, 2025. We have already submitted the budget requests for FY26. The budget the Committee is working on this year is for FY27, which starts July 1, 2026. The UBC will submit its recommendations to the Board of Trustees (Board) in May.

The departments should look at operating requests as well as capital requests. The capital requests should go to Michael Holmes. Technically, the budget process is beginning late. Departments should

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have started in November with the budget process. Marcie has been working with some departments to explain what they should discuss with their vice president.

November – December is when departments should review the strategic plan and their budget requests with their vice presidents.

In **January**, the departments finalize their requests with their vice presidents and align their requests with the strategic plan. Initially it was thought around January 10th for the vice presidents and president to start meeting and aligning their requests.

In **February**, departments should submit their requests to the UBC, and the review begins and is finalized, and a recommendation will be sent to the president.

Also in February, while the UBC is working on the budget for FY27, the Budget Office is working with the State to submit the budget requests for FY26 that are due to the State.

March – April – The president will review all final budget requests from the Committee, which after her approval, will be sent to the Board.

April – June – This is when the Budget Office starts working on the preliminary budget requests and everything is finalized to complete the preliminary budget requests for FY27 that will be submitted to the Board.

- The bulk of the departments' work starts in January of this year to meet with the vice presidents regarding their requests.
- In February and March, the UBC will review the requests and come up with the final recommendations.
- In April and May, the UBC is looking for the president to make the final recommendations to submit to the Board.

There are several new directors and fiscal officers. The individual vice presidents were offered the opportunity to have the Budget Office meet with them to go over the forms that need to be completed for the budget requests.

UBC COMMITTEE SCOPE THIS YEAR VS LAST YEAR AND FOCUS ON FY27 – FY28

One of the objectives of the Committee is to make a collective recommendation to the president on how the resources appropriated to the University should be used. While improvements can be made, Nicole did not want the members to think the Committee is not as effective as it should be or could be, by just doing things as they have always been done in the past. To bring about a broader perspective, Nicole explained why the UBC's scope this year, unlike last year, is focusing on FY27 and FY28.

One objective is that the Committee presents a two-year budget. Since FY26 was presented last year, the Committee does not have to focus on the budget for FY26 this year. Nicole shared her screen and

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displayed her September report to the Board on the FY25 operating budget and the FY26 recommendations that came out of the UBC. The report showed the top ten recommendations to the Board, although the full list of recommendations was available for the Board. The Committee recommendations presented are being added to the FY25 budget. The UBC's recommendation to the Board was \$100M which included a \$4.5M increase over the FY25 budget. Nicole shared the September report to show it as backup and documentation of *the Committee's purpose, objective, and focus*.

The \$4.5M contains all the priorities that the UBC voted on which came from all the vice presidents. The UBC voted on the recommendations, prioritized them, presented them to the president and that is what was presented to the Board. Nicole wants to change the current narrative of the UBC that its purpose is not being met. *What is done in the Committee is important and is reaching the ears and the audience, which is the president, as a recommended outcome and it is important work.*

Also presented in the report are the capital budget appropriation requests that came out of the UBC. As was previously mentioned, if there is a capital request, those requests should be vetted by and presented by Vice President Holmes. Michael Holmes is the point of contact with the CDB, Capital Development Board, and all the requests are vetted through this Committee.

The Committee tries to be transparent by engaging every level of constituents, which includes students, faculty and staff, on how resources should be spent for the year. The Board did approve the FY26 operating and capital requests of over \$100M and \$34.1M of capital requests for FY26. Nicole wanted to level set the information and knowledge of the Committee as everyone may not have the same level of knowledge and information. She especially wanted to reach out to the new members, whom she contacted separately, to ask what they expected to receive from the Committee.

Nicole will announce in the President's Cabinet Meeting that the UBC will be reaching out to the vice presidents to schedule presentations to the UBC the latter part of January after the holiday. If we look back at last year's calendar, the presentations were scheduled around the same time.

The Committee was challenged to not move in the sense of "business as usual". What is being heard from the State is that the University's allocations will not change from what was received for FY25. As a reminder, there was a 2% flat allocation to all State institutions. For Chicago State University that equaled less than \$800,000.00 for the entire year. The Committee must consider that even though the University is fighting for the equitable funding that is being presented in the House and the Senate, the University is not sure when the funding will be voted on, approved and implemented.

Nicole wants to level set the information around maintenance. Marcie added that the projection is that the University may not get the maintenance. After hearing this, Nicole encouraged the Committee to consider as the presentations are given, members must insist that the budget presentations are presented in such a way that they are fiscally responsible. The Committee must make sure they are reviewing and approving information that is nimble, which must be adjustable to the unknown. As an example, one of the things that is unknown, but we strategize on is the enrollment from fall to spring. Typically, from fall to spring there is a lower enrollment number which directly impacts tuition and there are a number of projects that are funded on that local income fund.

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Nicole again shared her screen to explain the types of funding the University receives.

The local income fund shown was a 1% increase over FY24, but the University budgeted a \$2M deficit, meaning that there are more expenses built into the budget than what the enrollment is covering. These expenses are sitting in personnel and contractual services. As the presentations are given, Nicole would like the members to be very verse and educated in their questions around the budget. *Think about how the request will impact personnel and contractual agreements and the length of the agreements.* She would like the Committee to be armed with information to ask engaging questions.

A UBC member wanted to be able to dispel questions asked regarding the budget that are based on rumors. For clarification and to be able to address questions in a more coherent way, the member asked is it correct that the \$800,000.00 the University received of appropriated funds is not going to cover the maintenance level for the budget?

The response is it is a rumor, and right now the University does not have any actual information from the State. What has been rumored is that the State doesn't have money, and the city doesn't have money. Right now, everything is a rumor. The Governor does the Budget Address in February on the third Wednesday of the month. That is when the University will know officially how much the budget will be for the next fiscal year. Marcie was asked to explain the three questions asked by the Governor's Office of Management and Budget (GOMB) when State universities are making their budget requests.

The UBC is crucial to the budget requests the University does every year. The information received from the UBC goes through a process of verification of approval from the vice presidents, the president, and the Board. What the UBC recommends is the requests the University wants to make to the State in addition to what is called the operating budget. The operating budget is the expenses the University already knows it has which include the personnel, contractual, and utilities and everything else needed to run the University. Above the operating expenses, the University makes additional recommendations that comes from the UBC. Along with those projections, the University must submit to the State what it believes it will bring into the University in what is called Local Income. Local Income is what the University is generating in tuition and fees.

The State provides funding that the University refers to as SE, which is basically the State Allocation. The State Allocation is usually somewhere around \$42M. The \$42M is what the University specifically uses for salaries.

There are two additional allocations. One is \$3M from the Gaming Fund that is used for scholarships. The last allocation is a special appropriation received for the Pharmacy Program. This amount is over \$300,000.00.

Once the UBC makes its recommendations and it is approved through the Board, it becomes what the University calls its submission to the State in the ISL (Illinois State Legislature) forms. When you receive the Budget Calendar, you will see a lot of references to the ISL because that is what the Budget Office is working on right now. What the University must submit to the State right now is its budget projections

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and budget requests. This is everything that was presented to the Board for FY26. The presentation was held in September for the FY26 budget. *The budget requests are submitted to the State one year in advance.*

When the budget requests are submitted to the State, the State will ask for three projections:

- What are the University's requests, including their additional recommendations. This is when the recommendations from the UBC are included in the allocation.
- What will happen if the only thing the University receives is the maintenance. The maintenance is if the University is only covering their union obligations and the cost of living for utility expenses.
- The third scenario is just the regular allocation (flat funding), which is what happens if the budget stays the same and the maintenance and requested increase is not received.

For FY24 out of all the requests made, the University only received \$800,000.00, which was not enough to cover the union obligations. That means the Budget Office, vice presidents and the president had to go back and rework the budget so that the union obligations could be managed. The same thing applied for those receiving the COLA (Cost of Living Allowance), the president and her team worked on the budget so that everyone due the COLA increase could receive it, though it was not provided within the funding from the State.

Nicole shared her screen showing the form which includes the three scenarios the University submits to the State with its requests. *The work the UBC does allows the University to respond to the queries on the form rapidly.* They are not allotted a whole lot of time to gather the information. The Committee also has the context of why and for what the requests are made. *The work of the UBC is important.* The members were encouraged not to be silent. Each member's input and engaging questions are important, and the Committee was formed for the purpose of transparency. The members need to understand the process, so they can respond when asked what they do on the Committee. The Co-Chair wants to be very forthcoming with what is heard from the State so the Committee can do its best work.

UNIVERSITY BUDGET FORMS

Marcie shared her screen showing the budget forms. She again emphasized if anyone is confused with the forms as they meet with their vice president, to inform her and she will be happy to attend the meeting to bring clarity.

The Process

Form UBC1

The first form (UBC1) is the cumulative form for the vice presidents. As the vice presidents begin to meet with their individual departments, they have a tough decision to make. Some vice presidents may have three, four or five departments reporting under them. As they meet with the departments, *it is important that they prioritize the departments' requests.* *The UBC1 form is the document used to*

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prioritize their requests that they want to present to the UBC, and hopefully, to the president and Board. A vice president might have six departments under him that have several requests. The vice presidents are asked to organize the requests according to priority and submit them to the UBC.

The UBC would like the departments to be more strategic as they move forward. In the past, departments have made the same requests every year. Going forward, the departments are being asked to be more strategic. If they have the same request year after year, start looking at the request as one for more than one year. *This year the Committee wants to begin looking at the requests as a two-year plan, but ultimately, they want to look at a five-year plan and align it with the Strategic Plan.*

As an example, if the University wants to build or increase enrollment or recruitment, within the plan to increase recruitment it may be that the first year's plan is to obtain the recruiters. The second year's plan may be to enhance recruitment through software. The object is to start looking at how to build a plan so that the University, according to this scenario, can continue the improvement of the recruitment over a five-year plan. Departments must think about not just requesting something but how do they build it so that it becomes successful, and it can continue after the initial purchase, or after the initial hire. For next year, the Committee will be looking at enhancing the fiscal years.

What was added this year is the use of the State reporting forms. When the requests were being sent to the UBC, one of the things that caused a struggle in reporting to the State is that the requests must be submitted to the State through their forms. *The State forms are the ISL forms.* Many times, it seemed as though the Budget Office was asking the departments for the same information multiple times. This year while the process is moving on to FY27, the Budget Office is still asking for FY26 information, even though the budget requests have been submitted to the Board and to the State earlier this year. Because of the ISL, the information must be submitted again.

This year the Budget Office wants to be more concise and stop duplicating the request. When the departments are asked to complete their requests, the UBC will be asking them to complete the forms that will be sent to the State for those requests.

Form UBC-2 ISL 760

For the budget request, one of the forms (Form UBC-2 ISL_760) is *a description of what is being requested. Departments are asked to address which goal and how does it impact the budget and the University. If the request includes remodeling, this form can also be used for requests that are aligned with the capital requests.* Basically, the State is asking for a description of the budget request.

Form UBC2A ISL770 and UBC-2 ISL 760

Along with the description, the State asks for the budget information (Form UBC2A_ISL770). This year we are working on FY27. If a department is requesting positions, less the number of positions, they must identify if the positions are administrative, faculty, or civil service; if the request is an item to be purchased, they must identify the cost. UBC2A_ISL770 is the budget information and Form UBC-2 ISL_760, is a description of that same item.

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This is the difference between the budget forms this year from last year. This year the Budget Office removed one of the forms from last year and they are asking you to submit one of the forms they will be sending to the State. These are the forms the Budget Office will be submitting to the Deans and Chairs and explaining how to complete the forms. These forms are what the departments will be completing for their vice presidents, and the vice presidents will decide what they want to approve and present to the UBC. *The vice presidents will take Form UBC-2_ISL760 and Form UBC2A_ISL770 and enter that information on Form UBC 1.* When the UBC receives these forms, they will be receiving the final approvals from the vice presidents and the provost.

Form UBC 3 Reallocation

Form UBC 3_Reallocation, is the form in which Marcie will spend a little more time explaining to the departments. It was mentioned for FY24 the State only approved \$800,000.00. *The use of this form emphasizes the importance of the UBC. Even if the requests are not approved by the State, the University hears your request. They listen when they are putting down the recommendations to the president that are going to the Board.* When the University finds out in February what its budget allocation is going to be, if there are requests the University believes are important for the University to continue, that is where the Form UBC 3_Reallocation comes into place. This is where the Budget Office goes back and looks at the budget and what was actually allocated, and they work to do a reallocation. Just as what was done for FY24, when some of the requests were not funded, the University got them funded through budget reallocation. *It is especially important that the members do not stay silent when making recommendations, especially if those recommendations are going to improve the University's retention, recruitment, or increase enrollment, then please make those recommendations because the University does hear you. This is how the University turns your voice into action.*

UBC 3 Capital Requests

The last form is for capital requests (UBC 3 Capital Requests). A couple of things for which you should be aware:

- There are at least three more forms that Michael Holmes must complete when it comes to capital requests. This is why it is important that not only do departments articulate their request, but they also have a conversation with Michael. When those requests come in, additional work must be completed to make sure that the information that is needed on the capital request form is completed.
- The forms are time-consuming and there is additional work that must be done for those requests. Even if the request is not submitted for the fiscal year being worked on, if it is something that the University must do, then, we'll have the information needed to get the data out for the following budget years. Make sure the departments are having the conversations with Michael Holmes.

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PURPOSE OF BUDGET FORMS REVIEW

Although the budget forms do not have to be completed by the UBC, the review of the forms was done so each member is familiar with the forms as well as the budget process. When there is an understanding of how a budget request affects the overall budget, the detailed information will assist the UBC in asking informed questions.

The vice presidents should be giving the Committee Form UBC 1 as well as Form UBC 2_ISL760 and Form UBC 2A_ISL770 that aligns with their budget requests. It was suggested that those who are department heads or involved in the budget process should also complete a “mock draft of the forms” to assist the vice president. It is a lot of work, especially if the vice presidents have a lot of departments reporting under him or her. The “mock draft” will assist the vice president.

Again, Marcie offered the opportunity for the vice presidents to invite her, or Charlie Grijalva, or Yolanda Castrejon Uriostegui to their meetings with their departments to explain the budget forms. Every director or department chair has the responsibility to make sure they are including everyone in their department in their budget requests. As an example, Marcie cited that although her department is small, her staff are critical in letting her know what is needed to move their department forward, or even let her know of recommendations that she has not considered that will improve the functions in her department. When Marcie has her meeting with Nicole, she wants to make sure she has included everyone in her area and has had a chance to hear what they have to say and finalize their formal budget request to Nicole. Nicole will not just listen to Marcie but will listen to all the units in Finance. When Marcie puts in her budget requests, she must make a persuasive case because the departments are competing for the priority that is going to be selected when Nicole makes the final recommendation to the UBC. Listening to staff that have been in her office longer than she has is critical for their needs.

ADJOURNMENT

MOTION

Judith Birgen placed a motion on the floor to adjourn the meeting. The motion was seconded by Charlene Snelling. A voice vote was taken, and all were in favor of adjournment. The meeting was adjourned at 1:37 p.m.