



University Budget Committee Meeting Minutes

Date:	March 10, 2021
Time:	9:30 a.m. – 11:30 a.m.
Location:	via Zoom
In attendance:	Michael Johnson, Gerald Hector, Edwanna Andrews, Theodorea Berry, Stephanie Blanco, Sissi Carroll, Reshawna Chapple, Steven Collins, Adrienne Frame, Deborah German, Cissy Glowth, Joe Harrington, Paul Jarley, Mike Kilbride, Elizabeth Klonoff, Fernando Rivera, Misty Shepherd, Mike Sink
Staff (non-voting members):	Rebeca Richards, Kathy Mitchell, Tracy Slavik

1. Approval of the minutes from February 24, 2021 – Michael Johnson

The minutes were approved unanimously as submitted.

2. Update on the 2021 legislative session – Janet Owen, Vice President for Government Relations

Owen discussed current legislative issues, stressing that not much is known yet in this second week of the nine-week session. Budgets will start to come out in the coming weeks, but won't be finalized until Tuesday, April 27 (72 hours before the legislators vote on the budget on April 30, the final day of the session).

Pending bills before the legislature would require institutions to provide in-state tuition for several groups (e.g., for out-of-state grandchildren whose grandparents reside in Florida). This revenue loss could have a significant fiscal impact on universities.

Other challenges that may be addressed in this legislative session include finalizing the current 6% holdback of state appropriations for FY21, potential reductions in state appropriations for FY22, and funding for deferred maintenance.

3. Update on spending HEERF I CARES Act Institutional and MSI funds (1st tranche) – Rebeca Richards & Kathy Mitchell

Mitchell reported that there is still \$11.3M of unspent HEERF I CARES Act Institutional and MSI funds. Institutional funds from the 1st tranche must be spent by May 2021; MSI funds from the 1st tranche must be spent by August 2021.

Unit budget directors have been directed to transfer all COVID-related expenditures into COVID departments by Friday, March 12. Mitchell and Richards will present a proposal for spending the remaining \$11.3M at the next UBC meeting.

The 2nd tranche of funds (HEERF II CRRSSA Institutional and Student Grant funds) may be spent on expenses incurred December 27, 2020, through January 2022 (one year after the date of the award letter from USDOE). We are awaiting regulatory information from USDOE detailing how these funds may be spent.

4. Update on requests for funding from HEERF II Institutional funds (2nd tranche) – Gerald Hector & Kristie Harris

Rebeca Richards reported that requests for HEERF II Institutional funding proposals have been sent to the deans, vice presidents, and budget directors. Responses are due by Friday, March 12.

The instructions stressed that no funding would be approved until more was known about whether the legislature would be reducing state appropriations, requiring universities to use HEERF funding to replace the lost revenue from state appropriations.

5. Update on budget model redesign and Adaptive Planning budget software implementation – Kristie Harris & Rebeca Richards

Paul Jarley gave an update on the new budget model, explaining that the goal of the project is increased transparency (see the Budget Model Update March 2021.pptx file).

- FY21 is a parallel/development year, operating under the parameters of the old budget model; the model will be adjusted, as needed, to address unintended consequences or outcomes.
- FY22 is a hold harmless year, operating under the parameters of the redesigned budget model; units assess and prepare for financial impacts – negative or positive – of the new budget model.
- FY23 is when the new model will be fully implemented, starting July 2022.

Jarley explained the governance structure of the Central Support Unit Allocation Committee (CSUAC) and that CSUAC will develop service level agreements and key performance indicators for the administrative units, working with the University Budget Committee to develop budgets for the administrative units.

Richards gave an update on the implementation of Adaptive Planning budget software that will allow units to use an “all funds” approach to budgeting; the Adaptive tool will facilitate implementation of the new budget model. Go-live is currently planned for April 2021.

Johnson explained that by July 1, 2021, amounts will be provided to each unit showing what their allocations are for FY22 under the old budget model and what their allocations would have been had the new budget model been fully in effect as of July 1, 2021. The documents will clearly show the revenues generated by each unit and the subventions used to support the colleges and administrative units that do not generate sufficient revenues to pay for their operations. He emphasized that this will

be for the “hold harmless” year of the implementation; future years will allow for gradual changes in subventions to the non-revenue generating units.

6. Update on Knight Vision Service Enhancement Transformation project – Kathy Mitchell

Johnson and Mitchell explained that the Knight Vision project consists of the implementation of the Workday HR and Finance modules plus four other projects, one of which is the Service Enhancement Transformation (SET) project (see the five pillars of the Knight Vision project on the attached Knight Vision program scope.pptx file).

The goals of the SET project are to improve the delivery of HR and Finance services, by increasing accountability, transparency, effectiveness, efficiency, and customer service. As part of the SET project, a survey is being sent to employees who have responsibilities for HR

and/or Finance processes across the university to determine where and by whom the processes are currently being performed. Survey responses are due Tuesday, March 23. This information will provide baseline data about the current state of HR and Finance operations.

Interview sessions are also being scheduled starting next week with multiple groups across campus, including central and departmental personnel with HR and Finance responsibilities, to determine how the current state of processes is working (or not working) for them and what their pain points, challenges, and successes are within the current state. These groups will also be asked to identify opportunities for improvement, services that could be delivered more effectively, and potential organizational changes related to HR and Finance services.

This information, along information provided by Accenture about best practices for HR and Finance operations at R-1 institutions, will be used to develop recommendations in May 2021 to improve the delivery of HR and Finance services across the institution (i.e., what the future state might look like).

Mike Sink added that the Board of Trustees has approved a total of \$50 million for the Knight Vision project, with \$27.6 million allocated for the implementation of the Workday HR and Financial systems. The remaining \$22.4 million will be needed for the other four pillars of the Knight Vision project, which will be brought back to the Board for a more comprehensive view of the total cost of ownership for the HR and Finance modules. Additional funding will be requested for the implementation of the Student modules and replacement of the existing custom or third-party student applications in use across the university.

7. Adjournment

The meeting was adjourned at 10:56 a.m.