



University Budget Committee Meeting Minutes

Date:	April 20, 2021
Time:	11:00 a.m. – 1:00 p.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, Matt Hall, Joe Harrington, Paul Jarley, Mike Kilbride, Elizabeth Klonoff, Fernando Rivera, and Misty Shepherd
Staff (non-voting members):	Kristie Harris, Rebeca Richards, Kathy Mitchell, Tracy Slavik

1. Florida Legislative Update – Janet Owen, Vice President for Government Relations

Owen provided an update on the legislative session but alerted the committee the information she is presenting will change within a few hours. The Senate made their first offer on Saturday night, and the House countered with their first offer Monday night. The House philosophy was to limit the reductions to the state universities to no more than five percent of a university's total appropriation.

Discussion occurred around the proposed cuts (particularly a reduction in state appropriations to offset distance learning fees collected by the universities), whether CARES funds may be used to cover state budget cuts, the possibility of the governor vetoing the budget, and the proposed BOGO and grandparents' tuition waiver bills.

2. Continue discussions on potential E&G carryforward policy options – Michael Johnson and Gerald Hector

Rebeca Richards presented to the committee for consideration the outline of a draft E&G carryforward policy where revenue-generating units would retain a portion of their carryforward based on a tiered approach:

1. If the unit's existing E&G reserve is less than three percent of its E&G expenditure budget as of June 30, the unit retains 100 percent of its newly-generated E&G carryforward, not to exceed five percent of its current E&G expenditure budget.

2. If the unit's existing E&G reserve is greater than three percent but less than five percent of its E&G expenditure budget as of June 30, the unit retains fifty percent of its newly-generated E&G carryforward, not to exceed five percent of its current E&G budget. The remaining fifty percent will revert to the University for targeted reallocation).
3. If the unit's existing E&G reserve is greater than five percent of its E&G expenditure budget as of June 30, the unit will not retain any of its newly-generated E&G carryforward; the unspent funds will revert to the University for targeted reallocation.

Richards added that end-of-year commitments will be reviewed prior to sweeps, central support units (CSUs) will not be permitted to retain an E&G reserve, this policy pertains only to E&G fund balances (at this point), and a process for reallocating swept carryforward funds will be developed.

Richards and Johnson clarified that "units" refers to colleges (and not schools or departments, for example), and that it is up to the deans as to how to use a unit's reserves.

Discussion continued on:

- How and when CSUs will receive carryforward funds
- E&G Carryforward policies for revenue-generating units versus central support units
- Clarifying that "reserve" is the same as "existing E&G carryforward"
- Confirming the MD program carryforward funds are exempt from this policy as they are separately appropriated and are not typically swept to the university for non-MD program purposes (but Deb German will discuss this topic offline with Johnson and Richards)
- Clarifying that "revenue" in Richards' initial presentation should be "expenditure budget"
- An appeal process for units will need to be developed to request allocation of E&G carryforward that has been swept to the university
- Whether historical E&G carryforward balances can be applied to this policy to provide illustrative examples of it in action
- Ensuring that E&G carryforward funds for multiple-year projects (such as Facilities deferred maintenance and capital projects) are not swept at the end of the year
- How budget development will change for the colleges with the new budget model

Johnson closed by saying he hopes the committee can determine a carryforward policy in the near future so it can turn its attention to the details of the new budget model.

3. Adjournment

The meeting was adjourned at 1 p.m.