



University Budget Committee Meeting Minutes

Date:	August 5, 2020
Time:	2:00 p.m.
Location:	Virtual Meeting
Co-chairs:	Interim Provost Michael Johnson and Interim VP & CFO Joe Trubacz
Voting Members:	Edwana Andrews, Theodora Berry, Stephanie Blanco, Sissy Carroll, Reshawna Chapple, Steven Collins, Maribeth Ehasz, Deborah German, Cissy Glowth, Joe Harrington, Paul Jarley, Mike Kilbride, Elizabeth Klonoff, Fernando Rivera, Misty Shepherd, and Mike Sink
Staff (non-voting members):	Kristie Harris, Derek Horton, Kathy Mitchell, and Rebeca Richards, Tracy Slavik
Guests:	President Alexander Cartwright

UBC Budget Philosophy: An effective budgeting process transforms strategic goals into achievable operating plans, and:

- ***Properly and continuously aligns resources with universitywide strategic priorities***
- ***Employs an “all-funds” approach***
- ***Maintains fiscal responsibility with those closest to operational decisions***
- ***Provides a degree of predictability to promote multi-year planning on a universitywide basis***
- ***Increases communication, transparency, and accountability***
- ***Provides timely funding recommendations to the President***

----- Agenda Topics -----

1. Introductions – Provost Johnson asked committee members and support staff to introduce themselves.
2. President Cartwright gave the charge to the committee – Goals must be driven by commitment to be a better and stronger university in the future. Being on this committee is a recognition

that you're respected and your input is valued and necessary. UCF has a lot of challenges, but we need to chart our path, not just follow what others think we should do as our boundary conditions are different from those at other institutions. The President's five goals for the next year include:

- a. Build a strong leadership team, focus on innovative systems that drive efficiency.
- b. Invest in academic excellence with a focus on student success and research. Where is money invested and what outcomes are we looking for?
- c. Take action on diversity, equity, and inclusion. Be the example of inclusive excellence.
- d. Build trust, engagement, and accountability across all employees with a focus on making UCF one of the best places to work in Central Florida and the world. We have to challenge each other to ensure a better outcome.
- e. Elevate and promote excellence at UCF, focusing on how we tell the story that is UCF and what's in our future.

Efforts should prioritize operational excellence, supporting the work of faculty and staff engaged in our core mission. COVID-19 could have a significant impact on funding at the university; this year's budget reduction exercise also prepares us for that eventuality. But we cannot cut our way to excellence! We need a thoughtful approach to what we should invest in and what we might not continue doing. The committee broadly represents the campus and will provide input into decisions to be made. Everyone has funding challenges, so we'll need to make difficult decisions. The new budget model will continue to evolve and this committee will assist with governance of the new model.

The process should be an inclusive process; it will involve the reallocation of university funds. The Provost and President will make decisions informed by recommendations from the UBC.

The president thanked the committee members for their leadership and all they do for UCF. He said we will get through this together.

Question from Joe Harrington: Submitting a legislative budget request (LBR) for \$20 million was a gutsy move, considering there may be no state funding available.

President's response: We may not receive funding this year, but we want our requests to be known and understood. The projects we put forward are built on our strengths.

Question from Paul Jarley: When will we make substantive recommendations? The committee needs training on new budget model. Service Level Agreements need to be in place this year to be ready for the new budget model next year.

President's response: We're facing a few challenges: 3% reduction for academic units and 6% cut for administrative units by Oct 15. This committee will review budget presentations and make recommendations as to which cuts to implement. Also, if we receive additional budget cuts in November from Legislature, the committee will weigh in on making decisions as to future budget cuts. The new budget model will require a transition to a different funding process.

Provost's response: If things go badly, we may have to slow down transition to new model,

President's follow-up: We might need to think through changes to the new budget model. But for the next six months, we need to think about right now (long term plans may have to wait). The committee should think about how to manage the process of implementing a new budget model because we have to position UCF for the future.

Question from Steve Collins: Does asking every academic unit to shed 3% assume that they all have the same ability so shed 3%? Does this allow colleges to protect "sacred cows" in their units?

Provost's response: This is a first step at setting aside funding for strategic initiatives. But without a good ERP, we don't have the data necessary to make those decisions, so we have to ask units how they can handle the cut. If that money is available for investment, it can go back to colleges. The extra 3% from administrative units is to allow differential cuts based on the harm that would be done from the cuts. It's imperfect, but it's an approach that allows input from the impacted units.

3. Remarks by Interim Provost Michael Johnson and Interim VP & CFO Joe Trubacz

Interim Provost Johnson – Thank you for serving on this committee. It will take more work than most committees because we'll have to learn details about funding and needs across the university to make good recommendations.

The former UBC only dealt with incremental funding, with very important decisions made outside the committee. This UBC will make recommendations about all university funding.

Being on this committee means that you're representing the university as a whole, not just the unit in which you work. Speak from your background and experiences as we think through decisions, but use your university hat to make decisions in the best interest of the university. Your different perspectives are important – make sure the committee gets to hear those perspectives. This is a shared governance committee, so remember to act in the best interest of the university. Don't let the committee move toward a decision that's questionable. Committees that have diverse representation tend to make better decisions, but only if the members speak up and are heard.

Interim VP & CFO Trubacz – Thank you for serving on the committee. It will be hard work but rewarding. This is an amazing opportunity to make holistic recommendations to invest in academic programs and change the way the university operates. The committee's role will evolve over the course of the coming year with the new budget model.

Question from Joe Harrington: Will we be able to do another push for philanthropy? For example, asking companies to sponsor courses that teach the future employees they'd like to hire? Other universities seem to have much more success in obtaining philanthropic support.

Provost's response: Some things can be done via corporate education, for example, companies can pay UCF to teach their existing employees. But in general donors are not interested in supporting regular operations.

Jarley's follow-up: The College of Business Administration generates about \$200,000 annually from about 100 corporate partners to sponsor co-curricular activities for students.

4. Overview of the UBC Budget Philosophy – Provost Johnson
 - a. Johnson discussed the UBC Budget Philosophy that appears at the top of the page.
 - b. Trubacz asked committee members to forward any suggestions/additions to him.

5. UBC Committee Meeting Logistics – Rebeca Richards asked that committee members try to attend all meetings and not send designees if they're unable to attend. Committee members are expected to review the minutes from any missed meetings to stay abreast of the discussions. A calendar is being developed that will incorporate timelines from the Board of Trustees for decisions that need to be made by the committee.

6. A UBC Budget Retreat – Kristie Harris announced the budget retreat is scheduled for August 21, 2020, 9 am to 11 am. Details will be sent out as soon as possible.

7. Meeting Adjourned at 3:01 pm