



## University Budget Committee Meeting Minutes

<b>Date:</b>	August 24, 2021
<b>Time:</b>	8:30 a.m. – 9:45 a.m.
<b>Location:</b>	via Zoom
<b>In attendance:</b>	Michael Johnson, Gerald Hector, Edwanna Andrews, Theodorea Berry, Sissi Carroll, Reshawna Chapple, Steven Collins, Adrienne Frame, Deborah German, Cissy Glowth, Matt Hall, Joe Harrington, Fernando Rivera, and Austin Wilson
<b>Staff (non-voting members):</b>	Kathy Mitchell, Rebeca Richards, Misty Shepherd, and Tracy Slavik

### 1. Approval of the minutes from July 16, 2021 – Michael Johnson

The minutes were approved unanimously as submitted.

### 2. Sources and Uses of University Funding – SVP Gerald Hector

SVP Gerald Hector shared a presentation from a recent President's Retreat that included:

- An overview of the new responsibility-centered management (RCM)/incentive-based budget model
- UCF expenditure analysis with and without carryforward included
  - Discussion occurred on ensuring zero-based budgets represent true needs and are not wish lists, how true costs of central support units (CSUs) will be determined, and practices during the hold harmless year.
- Total Carryforward by year and unit
- Carryforward calculations

He also provided an updated sources and uses schedule and explained the university's funding resources and the uses of those resources. Discussion occurred on the financial aid funding resource category, subvention, transfers, and cost centers, and how they could affect faculty.

Provost Michael Johnson emphasized this is a draft and the numbers are not final. The budget model is starting to demonstrate the cross subsidization that has always taken place at the university. The purpose of the model is to show where funds are generated and where they

are spent. Subvention (use of funds generated by one unit to cover shortfalls in another unit) is a key piece of a fully-transparent budget model.

### **3. Internal Loans – SVP Gerald Hector**

Hector's presentation also provided an update on the university's internal loans:

- UCF is spending compared to available unrestricted auxiliary revenues
- Current unrestricted cash and investments balance, including unrealized gains
- Current auxiliary loan balance
- Unrestricted cash and investment gains in excess of collateral
- A breakdown of the internal loan funding needs and repayment strategy
- Auxiliary internal loans accelerated payback schedule
  - Discussion occurred on the payback sources and how paying back the internal loans has affected the financial processes of individual faculty, departments, and the university as a whole.
- A breakdown of the UCF colleges and units that were impacted by the internal loans
- Office of Research loans summary and payback schedule

### **4. Adjournment**

The meeting was adjourned at 9:55 a.m.