

 UNIVERSITY OF CENTRAL FLORIDA	University Budget Committee Meeting Minutes
Date:	December 3, 2021
Time:	9:00 a.m. – 11:00 a.m.
Location:	via Zoom
In attendance:	Michael Johnson, Gerald Hector, Edwanna Andrews, Theodorea Berry, Tina Buck, Reshawna Chapple, Adrienne Frame, Deborah German, Cissy Glowth, Matt Hall, Joe Harrington, Paul Jarley, Mike Kilbride, Elizabeth Klonoff, Fernando Rivera, Mike Sink, Jonathan Varnell, Austin Wilson
Staff (non-voting members):	Misty Shepherd, Rebeca Richards, Kathy Mitchell, Theresa Stevens

1. Approval of the minutes from October 14, 2021 – Michael Johnson

The minutes were approved unanimously as submitted.

2. Auxiliary Overhead Charges in the New Budget Model–Misty Shepherd, and Rebeca Richards

Misty Shepherd provided the committee with a refresher from the previous UBC meeting. Shepherd stated the university’s current practice includes Auxiliaries and the DSOs only. The auxiliary overhead rate is charged against the unit’s expenses. The stated rate is 11%; however, because certain units are excluded or not assessed the full 11% overhead rate, the effective rate is reduced to 4%.

Shepherd provided the committee with the following recommendations:

1. Assess the auxiliary overhead rate against the Technology Fee. while still excluding the Activity and Service Fee, Materials & Supply Fee, Equipment Fee, and Student Financial Aid Fee from the auxiliary overhead assessment.
2. Asses the auxiliary overhead rate only on external revenue rather than expenditures, as similarly recommended by Huron. This assessment would be based on the prior year’s revenue.
3. Use the existing methodology for auxiliary overhead rate development per BOG regulations. Increase the base that is assessed the auxiliary overhead rate and decrease the rate to 9%.

Shepherd reminded the committee that the auxiliary overhead assessment is designed to reimburse the cost of central E&G services (e.g., payroll, paying vendors, legal services, etc.) that are provided to non-E&G units which are prohibited from being supported from E&G funds.

Shepherd provided the committee with an FY22 comparison chart to show the impact of the auxiliary overhead assessment on each unit.

The committee had a lengthy discussion regarding the recommended changes.

A motion was made to end debate on the topic and move to a vote. The motion was approved unanimously.

A motion was made and seconded to recommend a 9% non-E&G overhead rate on external revenues collected by auxiliaries, DSOs, and the Technology and Athletics Fees (as shown in the chart), beginning in FY23. This charge will not be assessed on pass-throughs such as certain conferences and outreach activities. The motion was approved unanimously.

3. Additional Training Planned for the New Budget Model- Misty Shepherd

Shepherd gave a brief update on materials regarding the budget model reference guide. Shepherd stated the full document will be about 20-30 pages long and is close to being finalized. Web courses will be offered to faculty and staff to help understand the structural components of the budget model. The expected roll out for this project will be January.

4. Adjournment

The meeting was adjourned at 11:03 a.m.