**Strategic Planning & Budget Advisory Committee (SPBAC)**

**May 6, 2015 Meeting Notes**

**In Attendance:** Michael Ciri (co-chair), Rick Caulfield (co-chair), John Pugh, Joe Nelson, Karen Schmitt, Deb Lo, Vickie Williams, Elise Tomlinson, Maren Haavig, Roxy Felkl, Julie Vigil, Keith Gerken, Priscilla Schulte, Jeff Johnston, Brad Ewing, Maria Moya

**FY16 BUDGET ROADMAP: UPDATE**

RCaufield explained that the university doesn’t have clarity yet from the Legislature on key FY16 budget components, include appropriating funds to pay for employee contract pay increases. MCiri added that, usually the university has its next fiscal year numbers by now, but we will continue to be in a holding pattern until the Legislature reconvenes one May 12th in Juneau. Next the budget goes to the Governor for his signature (and line item veto consideration).

MCiri went on to explain that after the university gets its FY16 budget numbers and the President decides how reductions will be distributed across the system, the Chancellor will then decide how to distribute internal reductions, and then the Budget Office will distribute budget books to units for them to build out (with unit reductions and details).

MHaavig added a Statewide System Budget Review Committee has developed 10 questions to ask various Statewide section leaders. They expect to meet weekly with them though the summer with the aim of producing preliminary information in time for the August FY17 budget development kickoff meeting attended by university leadership.

**STRATEGIC BUDGET PRINCIPLES**

MCiri gave an overview of the strategic principles that are in place related to the FY16 budget, including:

* **Use of One-Time Savings** – UAS is avoiding use of one-time savings to deal with pending reductions. Instead, UAS will continue to use these funds as bridge funding to support major renovation projects and project startups.
* **UFB (“carry-forward” funds)** – UAS anticipates it will continue to receive a portion of UFB from Statewide. In the past, the Chancellor has used these funds have been used to support institutional priorities such as accreditation activities, recent transition to new Juneau campus dining services, and other projects.
* **Furloughs** – Statewide established furloughs for senior university positions in FY16. University leadership agreed that further furloughs will be managed at the university level. UAS management is disinclined to expand use of furloughs in the near term.
* **Term Non-renewal Notices** – UAS sent non-renewal notice letters to 24 faculty members in order to comply with faculty collective bargaining agreement requirements and as a fiscal contingency. Fortunately, letters were recently sent to nearly all affected faculty welcoming their return in FY16. Looking toward FY17, the hope is to avoid having to use such an extreme measure again.
* **Staff Employee Pay Increases** – Presently, the legislative budget does not fund staff pay increases. Additionally, pay grid changes can create internal equity pay problems (within university the State of Alaska). Therefore, if funding is made available, modest pay increases may be treated as step increases.
* **Faculty Time-Off Management** – The recently negotiated CBAs have new time-off provisions. Next fiscal year, faculty time-off will be hard wired in budgets. This means Deans and Directors will need to carefully manage faculty time-off. This includes ensuring faculty are appropriately taking and reporting time-off. Training on this issue will be offered to faculty in order to ease faculty with their transition to this new practice.
* **Salary Increases Freeze & Position Reclassifications** – Position reclassifications will need to be carefully monitored by management, and not used as means for avoiding salary increase freezes.
* **Revenue Enhancements** – UAS will continue its marketing efforts, program investments, and seeking alternate funding sources to enhance its revenue generation, especially in this time of reduced general funds.

**UAS PERFORMANCE MEASURES**

BEwing provided the committee a list of new UAS performance indicators recently prepared by a small working group.
He added that over the summer he will be developing the related data queries for pulling data on these metrics.
RCaulfield asked committee members to provide final comments on the metrics to BEwing by this Friday.