



Budget Advisory Committee  
April 1, 2021, 10:30 a.m.

Attendees: Mike McCoy, VP for Financial Affairs, Jonathan Craft, Asst. VP for Financial Affairs, Chris Latham, Staff Senate representative, Malcolm Cort, College of Arts & Sciences representative, Jennifer Wolfe, Library representative, Debra Vaughn, Faculty Senate representative, Wendy Cowan, College of Education representative, Steve Downs, Physical Plant representative, Mitchell Bazzel, Student Support Services representative, Chris Nelson, College of Business representative, Molly Myhan, Academic Affairs representative, and Barbara Ferguson, reporting

Absent: Tonyia Bowling, University Advancement representative

Members of the Budget Advisory Committee participated in this meeting by means of electronic communications (through a telephone/Zoom conference call). Mr. McCoy called the meeting to order at 10:30 a.m.

Mr. McCoy informed the committee that budget hearings will be conducted in person, with remote participation via Zoom available. University departments are being asked to electronically submit budget requests in PDF documents. These will be forwarded to committee members in advance of the hearings which are scheduled for April 6 - 9. The budget recommendation will be compiled and presented to the President's Cabinet in May. The proposed tuition and fee schedule will be presented to the Board of Trustees at the May meeting along with the proposed full budget at the July meeting.

Mr. McCoy indicated that the proposed state appropriation is about \$1.5M below what was expected and below what is projected to be needed to fund and balance this year's budget. He referenced the proposed Education Trust Fund budget that was emailed to the committee in advance of today's meeting.

Mr. McCoy next addressed the revenue working budget worksheet also emailed to the committee. The 2022 starting point for the preliminary figures reflect no tuition increase. The 2021 budgeted credit hours of 67,624 have been adjusted to actual credit hours of 63,027 for the 2022 starting point. The committee will need to decide what they are comfortable with projecting for credit hours for the 2022 budget. Mr. McCoy reminded the committee that in previous years there has been discussion about bringing the traditional and non-traditional tuition rates closer together. This may be the year to consider this option especially because course formats are becoming more flexible due to pandemic concerns. He also reminded the committee that the Board of Trustees several years ago established the practice of tying tuition increases to the Consumer Price Index. This must also be considered when making recommendations regarding a tuition increase. The CPI for 2020 was 1.4%. This information has also been

emailed to the committee. Mr. McCoy also discussed that the committee will need to decide how to reflect possible new credit hours that will result from the recently signed Archer Education agreement. He informed the committee that Archer will be marketing and recruiting for 100% online College of Business courses and that revenue from these additional students will be shared with Archer.

Finally, Mr. McCoy pointed out to the committee that salary and benefit costs make up 77% - 80% of total budgeted expenses. He reminded the committee that a cost of living adjustment (COLA) is not something this committee formally recommends. That would be a BOT decision. He did provide information to the committee that a 1% COLA represents approximately \$200,000 in additional salary expense in the budget.

Mr. McCoy thanked the committee for their service and for their participation in the upcoming budget hearings. The meeting was adjourned at 11:30 a.m.