

## Budget Advisory Committee Meeting

1:30 p.m., 1/13/11

- The minutes of the BAC meeting on 12/9/10 were approved. They may be shared with others outside the committee as necessary.
- Diane Newton went over two handouts: the Cash Position Statement and the Operating Summary.
  - Cash Position Statement – as of 12/31/10
    - Net cash position at this time is \$34.7 million; compared to \$15.2 million at this time last year, \$2 million at this time in 2008 and -\$7 million at this time in 2007, it is easy to see how much tremendous progress has been made.
    - \$14.5 million of our net cash position as of 12/31 was unrestricted.
    - The tuition money we receive in January and February will have to last us until the end of the current fiscal year, and some of this revenue needs to go into reserves.
    - The fund balance goal is around \$12 million. It will probably take 2 more fiscal years to reach this goal.
  - Operating Summary – as of 12/31/10
    - Changes from November to December – there were several late scholarships (concurrent waivers, athletic scholarships, etc.) totaling approximately \$590,000, and the amount of transfers decreased because money was transferred back into E&G & Auxiliary from Plant Funds
- Concerns/Announcements
  - We have budgeted on flat enrollment, and our enrollment is already down a little this year. Our budget will already be decreased by \$1 million next year, and if we lose more students, we will have to decrease it more. The good news is that the governor is allocating 1% more money to higher education (amounts to about \$650,000 for UCA).
  - There has been discussion in the legislature of tying funding for higher education to graduation rates.

- There has been discussion in the legislature of shifting financial accounting for higher education back to the Department of Higher Education. However, this would be an enormous and expensive process, and it is not likely to happen any time soon.
- There has been discussion in the legislature of removing all remedial classes from 4-year institutions of higher education.

● SPARC

- Dr. Grahn asked various entities on campus to take initiatives from the SPARC meetings last semester and choose 5 that would cost nothing and 5 that would take funding to pursue; the lists are then to be prioritized and forwarded back to Dr. Grahn. SPARC will then meet on these lists.
  - As soon as these lists are compiled, it would be good for the BAC to look at the lists and provide recommendation based on how much money would be available to dedicate to implementing the changes.

● The meeting was adjourned at 2:12 p.m.