

Budget Advisory Committee Meeting
1:30 p.m., 9/8/11

- The minutes of the BAC meeting on 4/14/11 were approved. They may now be shared with others outside the committee as necessary.
- Diane Newton briefly discussed UCA's "financial situation."
 - We have cash in the bank - \$36.2 million this year as opposed to \$28.4 million last year.
 - The books on FY11 are still in the process of being closed, so final numbers are not available yet.
 - Financial information handouts will be available for the October BAC meeting.
- Upcoming financial issues
 - 3 bills were passed by the legislature this year that will impact us greatly over the next few years
 - § All state-mandated reports must now be electronic and available either on our website or via links to ADHE on our website.
 - § The "open checkbook" / expense database – all of our expenses must be put out on the internet where anyone could look at them. This will be down to the very smallest detail of each and every expense we have (including salary information, travel reimbursements, etc.)
 - This must be in place by Fall 2012 and will need to be updated at least quarterly.
 - The information will eventually be a 10-year accumulation, with the 10th year rolling off with each subsequent year.
 - § Performance Funding – details still being discussed and worked out
 - Within 5 years, 25% of our current funding will go into the Performance Funding "pool". We will have to meet certain performance measures in order to earn this portion of our funding back each year. This means that within 5 years, that will be 25% of our funding that will not be able to be budgeted for ahead of time.

- Chancellors, presidents, provosts, institutional research officers and chief financial officers from colleges and universities across the state are currently working out what the performance measures will be. There are many things to consider, and there is much debate over certain measures (degrees conferred / retention vs. progression / etc.)
 - The “base line” used for the performance measures for each school will be this current year.
 - This bill does not provide to protect schools from losing more than a certain percentage of their funding.
 - This bill will not “level the playing field” among colleges and universities.
- BAC – what the committee’s purpose will be for this year
 - § In the past, there has been frustration over what the committee’s role is – especially in recent years when there has not been excess budget money for which the committee can advise its use
 - § This committee will now function alongside the SPARC committee to strategically budget for the campus’s SPARC plans and goals. The BAC will make sure SPARC plans become implemented and funded. SPARC and BAC will merge in a sense.
 - § Strategic planning is central to what the Higher Learning Commission wants to see us do – by the BAC taking over the reins from the SPARC committee, this will demonstrate to HLC how we are turning our strategic planning into reality.
 - § The BAC’s charge will be updated to reflect these new goals and functions.

● The meeting was adjourned at 2:30 p.m.