

Planning and Budgeting Committee (PBC)

March 30, 2017

Minutes

PBC Members Present

Darlene Biggers, Steve Boardman, Sandra Browning, Jean Carr, Glen Houston, Karen LaRey, Tim Michael, Rick Short, Rhonda Thompson, Karen Wielhorski, Paul Withey, Kat Zellner

Alternates Present

Jamie Hester, Kathryn Matthew, Gracie Villarreal, Ted Cummings, Judy Chapmon, Caroline Crawford

PBC Members Absent

Patricia Cuchens, Cengiz Sisman, Jeff Whitworth, Kat Zellner

Guests

Lisa Gossett, Mark Shermis, Zbigniew Czajkiewicz

Information/Discussion Items

Dr. Tim Michael said the main purpose of this meeting was for the provost and each dean to give an update on their proposed budget reductions that are due April 15, 2017.

FY18 Optional Fees Update

Ms. Jean Carr gave a brief update regarding the FY18 Optional Fees. She said that housing was the only fee that the system office wanted going to the February Board of Regents meeting. She said the meal plan, PsyD and TEA fees were pulled and will go to the May board meeting. Ms. Carr said the Coordinating Board approved a \$7 increase for Undergraduate Non-Resident Statutory Tuition and as a result Graduate Non-Resident Statutory Tuition will also increase \$7.

Academic Affairs Budget Reductions

Dr. Houston said there had been a decline in international enrollment. When they began planning the FY18 budget they used the House Bill 1 that came out in January. In that budget, UHCL had a 12.4% budget cut for general revenue which included our special items and formula funding. Dr. Houston said we had five special items: High Tech Lab, Environmental Institute of Houston, Center for Autism and Developmental Disabilities, Downward Expansion and Institutional Enhancement. He said our two largest items were

Downward Expansion and Institutional Enhancement and they totaled around \$10 million for the biennium. Dr. Houston said the Senate Finance Committee decided that all of the public universities will not be cut more than 10% but will be cut at least 6%. He said we are in the process of cutting the budget from the three main components: Office of the President, Academic Affairs and Administration and Finance. The FY18 budget reduction represents 7.27% of the State and Designated Tuition base allocations for the three components. In Academic Affairs the 7.27% cut is \$3.7 million. He said in the Provost Office they cut 21% by not filling vacant positions.

Enrollment Management and Student Services were to be cut 9% and the Library and Computing were to be cut 10%. He said Enrollment Management has been doing some branding and they are targeting graduate programs to see if they can increase the domestic number of students. They are also looking at ways to diversify and how to attract students from other countries other than India (China, Vietnam, Mexico and Turkey). Dr. Houston said they are looking into the use of agents to help recruit more students.

In response to faculty questions, Dr. Houston and VP Carr both indicated that any positions lost (including faculty positions) would be expected to go through the priority process again in future years in order to be recovered by each college. Dr. Michael pointed out that the “lost” positions had already been through the priority process, many in the recent past, yet none of the currently proposed cuts had been through the priority process or had even gone through shared governance in any way. It was also brought out that many faculty seemed concerned that the budget process to this point had focused on cuts to revenue-generating programs and faculty positions rather than on cutting escalating administrative costs or university overhead, and that this focus seemed counterintuitive.

VP Carr explained that when funds become available in future years, they could be minimal. Therefore, there would be a priority process in order to re-establish funding for each request.

Dean Short – Human Science and Humanities

Dean Short said this past year Human Science and Humanities had to cut \$417,000 (4%) and most of this was lapsed salaries. They also cut their travel and several hundred thousand from adjuncts and about \$100,000 from the summer budget. He said some of their programs run 60% to 70% adjunct teaching. Dean Short said they are dealing with a cut of \$640,000 (6%) for FY18. They had 10.5 retirement and replacement positions and he cut half of these. They cut their M & O and allocated travel for faculty by half. Dean Short said the rest was pulled from the budgets that have the most flexibility and least impact.

Dean Cummings – College of Business

Dean Cummings said the College of Business had to cut \$571,000. They had three retirements that totaled \$350,000. He said they had \$300,000 in graduate stipends and cut \$100,000 of that and put a hiring freeze on any new IA's and TA's. Dean Cummings

said any IA/TA that is currently in the program will have their stipend through graduation, but they will not be adding any new ones. They have \$633,000 for the FY18 summer session but did not cut this since it is a base year. Dean Cummings said they decided to reduce spending in their Designated Differential Tuition (DDT) account. In that particular group they fund three areas in the College of Business (1) adjuncts, (2) money paid to faculty for teaching large sections, and (3) overloads. They decided to cut spending in those areas and move some additional part of faculty salaries to DDT in order to return funds to the university for the budgeted cuts. He said that the faculty has been told that there will not be any overloads for the FY17 and FY18 academic year. The college spends roughly \$300,000 on adjuncts and he has reduced that budget by almost half. By cutting the adjunct budget and overload stipends they will have room in DDT to pay faculty salaries. Dean Cummings said they will have to cut the summer budget if they lose control of adjuncts or overloads.

Dean Shermis – College of Education

Dean Shermis said the College of Education has very few international students and has not seen a change in their international enrollment. He said this past year the College of Education had to cut \$270,000. They gave an additional \$170,000 to help cover some losses in another area. Dean Shermis said they were able to hire and fill all of their positions that were prioritized in the fall. These positions were very strategic hires for College of Education in terms of moving their programs forward, especially in STEM education where they are trying to create a market. Dean Shermis said the two areas that are very compelling for College of Education are STEM and Bilingual Education. They had some lapsed salaries and two retirements. He said they have about \$550,000 budget for adjuncts, but only half of it is funded as part of the base and the other half is taken from lapsed salaries (\$225,000). Dean Shermis said they pay their adjuncts about \$3,500 per class and have about 64 sections of classes that are covered by adjuncts. They are looking at a potential loss of 320 FTE in this cut alone. In the fall they are projecting to cut about 30 classes that are taught by adjuncts. He said they have a budget of \$590,000 for summer school and fund about \$250,000 of that from lapsed salaries. They are estimating approximately 150 FTE loss from cuts in the summer that will take effect summer of FY18. The total cut for College of Education was \$410,000.

Dean Czajkiewicz – College of Science and Engineering

Dean Czajkiewicz said in the College of Science and Engineering they have been looking at different options to see what could be done to reverse the trend in enrollment. They designed posters for five graduate programs and mailed them to the chairs of fifty different universities. These universities were strategically selected from Texas and surrounding states that have undergraduate programs but do not have the graduate program that is offered at UHCL. He said in the College of Science and Engineering, what they lost in graduate students they gained in undergraduate students. Dean Czajkiewicz said for FY18 they had to cut \$642,000 (6%). They have three positions that they did not fill and one resignation in Software Engineering. Those four positions plus some other fragments of different positions totaled \$431,840. This left about \$210,000 in reductions to be made. Dean Czajkiewicz said they have a very strong summer school and spent over \$1 million last year. This summer they have a budget of \$990,000, but he does not think they will

spend that much. They are proposing to cut \$210,535 from next year's summer budget leaving a balance of \$700,750 for summer school. He said that it is important that we diversify because they have seen a decline in applications from the international students the last two years. They believe part of this is due to visa denial and the political situation here in the U.S.

To conclude the meeting, it was confirmed that the final version of these cuts from Academic Affairs and additional proposed cuts are to be presented to the appropriate component no later than April 15, and these items are expected to be addressed in the next PBC meeting.

With no further business to discuss, the meeting was adjourned.