

WESTERN MICHIGAN UNIVERSITY
FACULTY SENATE

CAMPUS PLANNING AND FINANCE COUNCIL
Minutes of Tuesday, 9 December 2014, at 3 p.m.
Faculty Lounge, Bernhard Center

Members present: Raja Aravamathan, Todd Barkman, Cheryl Bauman-Bruey, David Dakin, Kieran Fogarty, John Jellies, Denise Keele (for Harold Glasser), Kathleen Langan, Glen (Pat) Langworthy, Colleen Scarff, Jan Van Der Kley and Gay Walker **Guests:** Dawn Gaymer, Associate Provost for Extended University Programs; Richard Gershon, Communication; James Gilchrist, Vice Provost for Budget and Personnel and Chief Information Officer; Keith Hearit, Associate Dean, College of Arts and Sciences; Patti Van Walbeck, Associate Vice President for Business and Finance, and Linda Poquette, Business and Finance

PROCEDURAL ITEMS

Welcome

Council Chair Kieran Fogarty welcomed everyone to the meeting at 3 p.m.

Acceptance of the Agenda

A motion was made by Bauman-Bruey to accept the agenda as presented, supported by Barkman. Motion passed.

Approval of the Minutes of 21 October 2014

A motion was made by Langan to approve the minutes of 21 October, supported by Walker. Motion passed.

Chair's Comments – Kieran Fogarty

Fogarty wanted council members to be aware that there are only five meetings left in the current fiscal year. He provided a handout titled "CPFC Process Overview: Budget Review" that provided a timeline of what needs to be accomplished for the budget model. Van Der Kley stated that this council provides valuable input on other topics. The president speaks each year and the council is provided with full disclosure on projects taking place on campus. The budget review should not take place at the expense of other projects on campus.

Information/Discussion Items

Academic Affairs Budget – James Gilchrist

Fogarty asked for questions on what was presented by Vice Provost Gilchrist at the last meeting. Van Der Kley began and asked for Gilchrist's perspective as to what is working well and what needs to be improved.

The Academic Affairs budget is complicated because the work of each administrative unit is not the same. Departments can be radically different as to what they spend and when funding is needed. Some have labs, artistic, etc. The budget works best when colleges/departments have professional staff to take care of their funding. Budget transactions have implications and it is important that the environment is regulated and the process correct. Money allocated to a unit is owned by them and is always subject to rules and regulations.

A comparative study would have to be done to determine if there is a better budget model than the one currently used. Responsibility budget is what some lean to and the revenue is based on enrollment in a specific college. When enrollment goes down, then the unit's revenue is reduced. However, no perfect model is out there.

Van Der Kley added that we use multiple models for different purposes. Responsibility models are used and incrementally based. Van Der Kley and Gilchrist answered all questions that followed about responsibility models. Gilchrist explained that the deans may work under many constraints (an example would be tenured constraints) with their budget but they also have discretion over available money that is not under constraints. Responsibility based models have many potential problems as money based units may not see the benefits of other units. Based on the conversation of the council members, each would like to know what is fair to a diverse campus. There is no common agreement as to what the problem is and what needs to be addressed.

From a central division perspective, an amount goes to keeping campus open and a certain amount is designated to Academic Affairs to be distributed. This discussion is for Academic Affairs and Gilchrist continued his review of the units under Academic Affairs. Research does not have revenue but it has to function to oversee grants to the colleges. Strategic goal plans are always based on the shortages and overages. If a college is declining, it is likely not to increase. Some units are dissatisfied because of declining revenues and we have to progressively look at better ways to do our business in order to reduce costs. The final budget decision for Academic Affairs is ultimately made by the provost.

The budget is set by the WMU Board of Trustees and the Budget Office makes recommendations. Questions followed concerning distribution of funding and how the deficits are handled. Fogarty added that the purpose of the discussion is to obtain information and the budget process is complex. Further study is needed for the existing incremental budgeting approach for Academic Affairs. Jellies added that as a council, we want to understand the budget and be able to explain to colleagues what takes place with the existing budget.

Extended University Programs Funding Model – Dawn Gaymer

Associate Provost Gaymer passed out the budget model for Extended University Programs (EUP). EUP's budget model follows the overall University model. However, there is no in-state or out-of-state tuition rate, it's an EUP rate. Seventy-five percent of enrollments are a different population. EUP operates without state

appropriations. Gaymer explained that EUP took a budget cut to pass on funds to Academic Affairs and this is considered to be a tax for EUP. EUP facilities are paid for by EUP. The EUP programs are marketed.

Gaymer reviewed the Revenue Share Model with the council where sixty percent of net income goes to the colleges/departments and twenty percent is allocated development/risk. EUP is two years in to the plan of holding reserves. Over time, it may be discovered if there are too many or not enough funds held in reserve. EUP is under these funded lines for three years.

EUP has to be a broad program in today's culture and this model is based on demand – a responsibility based budget. Gaymer added that all tasks have to be reviewed and changed if necessary. Jellies stated that it was good to know about EUP faculty lines.

Action Item

CPFC – Briefcase in Webmail Plus

Not all council members use the briefcase and this action item was not pursued.

Other Business

No other business

Adjournment

Motion made to adjourn at 4:45 p.m. by Jellies, seconded by Bauman-Bruey.
Motion passed.

Linda Poquette
Recording Secretary