

Longwood University Planning Council Committee Meeting

November 14, 2013

Members Present: President Reveley, Ken Copeland, Charles White, Chris Register, Ken Perkins, Tim Pierson, Suzy Palmer, Dick Bratcher, Chuck Ross, Paul Chapman, Joanna Morrison, Troy Austin, Jeannine Perry, Paul Barrett, Matt McGregor, Brenda Atkins, Eva Philbeck, Penny Howard, Victoria Kindon

Members Absent: Tracy Nelson, Lissa Power deFur

The meeting was called to order by Ken Copeland. He welcomed new Committee members, Penny Howard, who will serve as liaison for the IT area, and Victoria Kindon who recently joined Longwood as Vice President for Strategic Operations.

Ken Copeland indicated that he, Charles White, and President Reveley have recently met and looked at several scenarios and he indicated receipt of budget scenarios from all Vice Presidents' areas.

Ken advised the group that it is premature to start looking at scenarios until it is known what the Governor's budget will look like. Ken, Brenda Atkins, and Tracy Nelson will attend a meeting on December 16 to listen to the release of the Governor's budget. There is concern regarding benefits that are state provided. Ken noted that Longwood will likely see increases in healthcare costs. It is not known at this time what they may be. Early assumptions include a possible 20 percent increase in healthcare costs. In the event these increases occur, Longwood will fund all increases associated with auxiliary functions.

Ken also noted that there is the significance of potential increases of retirement contributions. He was encouraged by an article that was in the Richmond Times Dispatch recently where a reduction in VRS benefits for several school systems in Richmond was featured. The University could be looking at approximately a three million dollar increase in the cost of benefits. More will be known once the Governor's budget is announced. At that time, each Vice President will need to review their budget request lists again and prioritize their existing lists.

Ken and President Reveley have spoken regarding better utilization of funds at the University and are in agreement that this needs to be looked at very closely in the New Year. President Reveley asked for everyone to keep in mind that credit hours will be better next year and to put dollars where they will make the best impact. Higher education is currently under duress but Longwood is a healthy institution financially. The Bond rating recently awarded the University underscores that our revenues should be ok. However, there is a need to focus on the budgeting process and to find ways where money is not being utilized like it should. Mindsets need to change to spend in a more productive way. When departments have extra money at year end, is it truly productive to buy items just to spend money or look at better ways to utilize the extra money?

Ken reminded staff that there is a thought that vacancies always need to be filled. When areas have vacancies, they should look at resources and better ways to use assets to rework employee job profiles with existing personnel. This mindset may not work in all areas, but it is something that needs to be explored when vacancies occur.

Charles White presented the question to the group if they are receiving the data that they need. What are obstacles that could be removed in the process? Paul Chapman said line by line analyses of budgets are helpful in seeing where the extra money is spent. Comparing fiscal years is a useful tool in building budgets, but currently is difficult with Banner. Dick Bratcher noted that others keep their own shadow systems of their departmental budgets. Penny Howard indicated that IT is looking at how to pull data out of Banner to make it more useful and eliminate the need for shadow systems and to provide a more comprehensive system that is accurate for the user. It was noted that departmental administrative assistants that work across campus have a clearer picture of budgets. The question was raised as to whether it would prove beneficial to pull that group together for ideas in the New Year and to possibly offer incentives for those who come up with cost saving ideas. President Reveley reiterated that staff need to get away from the spend it or lose it mentality and noted that it is not cost reduction per se and not cutting our budgets, but it is “smart spending”.

Ken said that buying in bulk can prove to be a huge cost saving measure and the University needs to explore this idea more in 2014. Examples include buying paper in bulk, toner in bulk, etc. Commodities that are purchased regularly could be purchased and warehoused for later use. Tim Pierson mentioned costs that are spent on phones at the University and can this be looked at more closely. Penny indicated that IT is already exploring the idea and are looking at lines, renegotiating contracts, etc. Her area is also looking at the possibility of outsourcing the student network.

Ken asked that the committee focus on cost reduction strategies prior to the next meeting. Members were reminded to send fixed costs increases to Susan Osborne if they have not already done so. Ken also announced that he would like to see the formation of an ad hoc subcommittee to consist of Troy Austin, Tim Pierson, Matt McGregor, Paul Barrett, and himself to work on the auxiliary side.

Troy Austin asked the question regarding the Foundation and how do they fit in? It was discussed that Hazel Duncan should be included in the University Planning Committee meeting discussions.

Differential pricing was discussed and how different fee structures are set at different schools. Ken would like to suggest that another sub group be formed to discuss how we could employ some type of differential pricing at the University. Members were asked to notify Ken if they would be interested in serving on the sub group. Pres. Reveley would like to simplify the system but in a tighter fashion and agrees that the University definitely needs to look at the current fee structure. He noted that the fee issue is complicated but is also solvable.

As there was no further business, the meeting was adjourned. The next meeting of the University Planning Committee will be scheduled in early January.