

Finance and Planning Report to Faculty Senate  
October 8, 2015  
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Chair, Faculty Senate Committee on Finance and Planning

**Budget Update**

Revenues from summer and fall were on target and included an increase in out-of-state revenue. We ended last year with an E&G surplus, which we used to prepay insurance and fuel costs for the current year. We will incur additional expenditures this year as the state-mandated raises become effective. The commonwealth pays the general fund portion of those raises, which equates to about 60% of the necessary funding. We must make up the remaining 40% (\$631,364). The 2015-16 budget included a \$471,905 increase in the faculty salary pool. \$174,997 of this is allocated to fund new faculty positions, \$27,500 for promotions, and \$459,758 to continue the December 2014 faculty salary increase and to fund the two percent increase from August 2015.

**Finance and Planning Committee Priorities for 2015**

Below are several priorities that the committee has identified for the upcoming year. We have discussed these with Provost Neff and she fully supports these objectives and is working with Ken Copeland and the finance and planning committee on addressing as many of these objectives as possible by 2017.

**Top priorities**

1. Analysis of revenue and expense data in Academic Affairs to more effectively support and communicate strategic priorities
  - a. Centralized and systematic pooling and allocation of revenue across colleges, years, and semesters
  - b. Resource allocation (and reallocation when necessary) based on strategic priorities
2. Development of a systematic and transparent budgeting process in Academic Affairs
  - a. Build trust - do no harm
  - b. Clarify differences between state funds and other types of funds with respect to spending deadlines
  - c. Work with Deans to develop annual department budget allocations based on a combination of fixed and variable costs

**Ongoing priorities\***

3. Streamlining and improving course fee policies and procedures
  - a. Reduce "bait and switch" pricing policies
  - b. Consistent, systematic policies for course fee application and use
4. Streamlining of ETF procedures and training/communication on the procedures
5. Further development of academic fund-raising capacity within AA
  - a. Increase capacity for scholarships, endowed chairs, etc.
  - b. Engage deans, chairs, and faculty in the fund-raising effort

\*Faculty/staff compensation continues to be a priority at the university level with the goal of creating a systematic process for regular, merit-based increases to address salary compression and inversion.

**UPC Update**

UPC is scheduled to meet on October 22. At that meeting the president will discuss some structural changes to the committee that will broaden the scope of the committee while also allowing for more focus in areas that need it (like budgeting and finance).