

RAC Meeting Minutes

10/1/09

Unapproved Minutes

Present: Joe Wirgau (Chair-Presided); Kay Jordan; Anthony Guest; Carter Turner; Lynne Taylor; Fu I-Ping P; Michael Moore (Recorder)

Absent: Basel Saleh

Meeting Called to order 3:39pm

-Dr. Wirgau said his meeting with VP of Finance Alvarez went well.

-Dr. Taylor distributed an abbreviated report on 13 schools in the state as far as instructional support and what the instruction was as percent of total budget. Discussion/explanation followed.

-Dr. Carter asked were there any limitations of awarding stimulus money if tuition increases occurred. Dr. Wirgau said federal stimulus money was to be spent to mitigate tuition increases and informed the committee of the scheduled tuition schedule in the 6 year plan.

-Discussion and drafting of motions by all which are listed below.

MOTION to be brought to the Faculty Senate:

The Faculty Senate recommends to the Provost, the Vice President for Finance and Administration, and the President of Radford University that during the current fiscal crisis the highest priorities are:

To preserve instruction by maintaining the already deficient number of faculty currently in tenured, tenure-track, special purpose and adjunct faculty positions and to make cuts in places that although are very important to Radford University, are not directly related to classroom instruction. This is in direct accord with the first Strategic Directive of the strategic plan to Invest in People: The University will make academic excellence its highest priority by investing in faculty, students, administration, and staff.

To preserve Radford University's diverse portfolio of degree programs and accreditations; in accord with many of the items in the Strategic Plan including Strategic Directive 1: Goal 1.2 Developing and sustaining a curriculum in which RU students demonstrate an awareness of and appreciation for cultural differences and an understanding of relationships among peoples and nations and Strategic Directive 2: Goal 2.1 Increasing the number of programs achieving national accreditation or certification by requiring that every program eligible for accreditation or certification attain it.

Meeting Adjourned at 5:05pm

-The motion was removed due to its relevance in light of recent budget developments.

RAC Meeting Minutes

10/15/09

Unapproved Minutes

Present: Joe Wirgau (Chair-Presided); Kay Jordan; Fu I-Ping P; Basel Saleh; Michael Moore (Recorder)

Absent: Anthony Guest; Lynne Taylor; Carter Turner

Meeting Called to order 3:45pm

Agenda:

-Go over the RU financial Overview

-A discussion was lead by Dr. Wirgau about the RU Financial Budget for 2008-2009 fiscal year. Increasing or maintaining tuition and fees and the positive and negative effects of such recommendations/suggestions were discussed.

-Compile a list of questions we have for VP Richard Alvarez

-Where does the Banner Program fall in the budget?

-Compile a list of questions we have on last year's budget

-Where does the Banner Program fall in the budget?

-Why has the foundation scholarship decreased over the last year?

-How much did the foundation increase scholarships during time when the market thrived?

-Have the investment policies changed since the downturn in the market?

-Who pays the foundation staff's salaries that work directly for the University?

-What is the standard handling fee we are paying the foundation currently?

-Why has the athletic budget increased so much with other programs decreasing?

-Why is institutional support growing faster than all other areas?

Meeting Adjourned at 4:52pm

Resource Allocation Committee (RAC) Meeting Minutes
Joint Meeting with the University Planning and Budget Advisory Committee convened by
President Kyle and VP R. Alvarez

10/29/09

Unapproved Minutes

Present: Joe Wirgau (Chair-Presided); Kay Jordan; Michael Moore (Recorder); Anthony Guest; Lynne Taylor; Carter Turner; Basel Saleh; Fu I-Ping P

Meeting Called to order 1:04 pm by President Kyle

-Goals of meeting

- Where RU is with the budget and what is going on in Richmond
- Answering questions submitted from the RAC

-VP Alvarez gave a presentation on Strategic Scenarios

It was noted that the BOV has not approved anything that was given to us

-General funds have been cut 29% resulting in a significant decrease to the E&G budget (tuition and money given by state) for this fiscal year

-To balance the budget increased enrollment is preferred over tuition increases

-Protect teaching is the main goal with budget

-Take into consideration the families and economic status of country

-New Programming once this shortfall is over – be ready to move forward

-Politics play a role also – not settled yet

Questions that need to be addressed...

-Are there more cuts on the way; next two years (2009-2010 and 2010--2011) is being eased with stimulus monies

-Possibly another 10% cut in Virginia's budget in 2012 once the stimulus money is gone because of the shortfall that will exist with Medicaid

-When will Virginia ask for and obtain its stimulus money for higher education? Still waiting on the money, but RU's whole plan surrounds stimulus money. Everyone is running out of time to spend the stimulus money by end of the year.

-Loss of Students this year of 400 students; for every 100 students represents \$510K; so RU is down at least \$2.4 million in the Auxiliary budget as well as the losses in the E&G budget.

-Stimulus money takes care of the decreased enrollment for the next 2 years, then stimulus money is gone so possible scenarios for balancing the budget for FY 2010 and 2011 were explained; with best and worst case scenarios explored.

-There is a projected 15 million dollar drop in general funds for FY 2010; combined with Auxiliary funds decrease (due to decreased enrollments of a little over 400 students) results in a 17.46 million decrease since FY2009

-A cut of 7.5 % of E&G is needed and projected to be 3.9 % in academic areas and 4.9 % in administrative areas, the rest of the 7.5 % is coming from stimulus money

Submitted Question from RAC through Dr. Wirgau and responses:

1) Enrollment has been decreasing since 2004, what are the long term plans for enrollment. Why has it been decreasing (by design or not)? How do we hope to stabilize enrollments for the future?

-More complete enrollment data was supplied and future projections clearly demonstrated an approach to enrollment.

2) Why is the area of Institutional Support growing at a faster rate than all other areas of the budget (these numbers come from the posted budget overview on our website)?

-Data was provided that broke down those increases by area and as personal and non-personal in nature. The non-personal budget was increasing and was explained as a result of purchasing and implementing Banner.

3) What is the long term plan for the athletic budget since it has increased from \$4.0 million in 2003 to \$7.72 million in 2009? This represents now a little over 1/2 of the comp fee.

-This is part of the long term plan; moved recreation and Dedmon Center into Athletics; Move to Division I money status because we have been operating on less than DIV I Status.

4) Foundation scholarships are down by roughly \$80,000 from 2007 to 2008. With the foundation coming up with new financial support of the administration shouldn't scholarships for students be supported at, at least a constant level as there is more need due to the economy and the increased cost of education?

-These were not the numbers from the foundation has (the financial aid office had these numbers and included sources that were not part of the Foundation); numbers were provided from the Foundation and the scholarships from the foundation have not decreased; the foundation has increased scholarship each year since 2006

5) Are Foundation staff positions funded at all through E&G funds?

-Some fund raisers are employed by RU and not foundation; this is typical of most schools, who have a hybrid system where some are employed by RU and some by the foundation...the number of funded positions has been decreased in the last year

6) Why is the comprehensive fee increasing at a faster rate than tuition, since tuition is used to directly support instruction and the general funds are currently shrinking?

-No specific answer was given other than Auxiliary Budget gets no support from the Commonwealth and must be self-sufficient. VP Alvarez is willing to have another meeting to break down student fees.

7) How can we help our students with increasing costs (from 2007 to current tuition is up 17.9 %, fees up 24.3 %, Room and board is up 10.6 %)? Between 2007 and 2008 the proportion of Stafford Loans in financial aid increasing from 51% to 61%. More of our students are in debt because there is less grant funding available to students. I would predict this rate to increase to 80% in the next three years if tuition increases are implemented. Our students will start their lives in the red and increasingly we have a system where the burden of college education is increasingly being shifted to the students and their families. I recognize this is a national trend but a scary one as well.

-The administration is very aware of this difficult issue and explained that some of the increase in Stafford loans is going to pay for things outside of direct education costs. The student representatives quickly agreed that this is common. Also it should be noted that RU is still one of the most affordable Universities in Virginia.

8) Where does the funding of new programs currently stand?

- The funding of new programs continues but at the minimum level to seek accreditation, less than the original plans for the degree programs.

Dr. Jordan asked about the plans for moving forward as far as BOV meeting in two weeks?

-President Kyle stated that their needs to be changes to the Mission Statement and working on Strategic Plan...specific targets need to be stated so we know when we get there; move from a Vision to concrete plans

-UG Student Enrollment is down 400 but GR is same or up; VP Alvarez and Provost Stanton say they are very confident that freshman enrollment is going to increase next year and years to come

Meeting Adjourned at 2:45 pm