University of North Florida

Board of Trustees

Budget Hearing Workshop

May 23, 2019, 9 a.m.

Adam Herbert University

# **MINUTES**

Trustees Present

Kevin Hyde (Chair), John Aloszka, Tom Bryan, Annie Egan, David Fenner, Adam Hollingsworth (via telephone), Stephen Joost, Paul McElroy (via telephone), and Hans Tanzler

Trustees Absent (Excused)

Doug Burnett, Wilfredo Gonzalez, Oscar Munoz, and Sharon Wamble-King

## Item 1 Call to Order

Chair Hyde convened the meeting at 9 a.m. and welcomed everyone to the Budget Hearing Workshop.

## Item 2 Public Comments

Chair Hyde offered those in attendance an opportunity for public comments. There were no comments from the public.

## Item 3 University of North Florida 2019-2020 Budget

Chair Hyde turned the meeting over to Vice President Shuman for review of the budget.

The Audit & Compliance Committee Charter states that the committee should review the budget and make recommendations for the Internal Audit and Compliance Offices. Vice President Shuman asked Julia Hann, Chief Audit Executive, to give a review of the Internal Audit budget. Ms. Hann stated the office averages about six to eight audits each year. She presented the current Internal Audit Budget, which included salaries and associated costs, conference travel, contractual services, and office expenses, stating the budget is very salary heavy. The proposed new resources consist of shifting the P-card audit program from the Accounting Office to Office of Internal Auditing to include one full-time employee and two to four part- time students per year. Additionally, $1,500 for IDEA Data Analytics Software.

Next, Dr. Joann Campbell, associate vice president and chief compliance officer, presented the Compliance Office Budget, which included salaries and associated costs, conference and professional travel, and office expenses. The new budget requests consisted of a graduate assistant ($15,000) previously funded non-

recurring; compliance training ($30,000) to help secure a learning management system that and Clery Act Training ($5,500) to ensure we have the latest training to avoid any violations. Vice President Shuman indicated that the budget requests by the two offices are incorporated into the proposed budget.

Next, Vice President Shuman presented an overall view of the budget for 2019-2020, stating the budget contains $10 million of new funding for Operational Support .Each University also received a reduction to its base funding. For UNF, this amount is $1.5 million. UNF anticipates receiving $12.4 million in performance funding. These monies are divided evenly between recurring and non-recurring. Vice President Shuman stated that since the Governor has not signed the budget, she has created the budget two ways with the $10 million for operational support in and out.

There is also $20.0 million of carry-forward funds. The legislature has changed the parameters of how carry forward funds can be used. It can be used for capital up to certain limits.

This budget reflects no tuition increase for either undergraduate or graduate programs. For UNF’s new 3+1 program for graduate courses, tuition is being recommended to be lower. In the current fiscal year, UNF anticipates receiving approximately $4.0 million of tuition revenue over the tuition budget. This amount is a part of the $20 million carry-forward funds for the fiscal year 2019-2020. Also for the next fiscal year, the recurring budget has an increase of $4.0 million for tuition revenue.

Money has been set aside in reserves for UNF’s new Provost who will start June 2019. The President will approve how the funds are utilized.

The budget process consists of each division reviewing its operations to determine expenses that could be reduced. A controlled spending committee continues to meet to review spending throughout the year and look for methods to create greater efficiencies. The vacancy pool committee continues to review all administrative and support positions. In fall 2019, each department will allocate their budget by function/program to determine cost of programs.

The University saved money by eliminating three vice president positions totaling a savings of $759 thousand. These savings have funded a new Director for Community Alliance for Student Success along with supporting the needed pay increases for the Police Communication Operators. The remaining $613 thousand is being re-invested back into the budget.

Additionally, over $600 thousand of savings resulted from the integration of Academic and Student Affairs. Below is a list of some of the E & G savings from this move:

Through attrition, two positions within Student Affairs have been frozen and deployed to an area of high need: Enrollment services

Merging the central Career Services Office with Undergraduate Studies First Year Advising, an Office Manager for Career Services was eliminated and the position re-assigned to the Department of Student Academic Success Services to manage the office operations.

Eliminated an Associate Vice President of Student Affairs

Reassigned a vacant line to fund a Disability Resource Center Testing Coordinator

Through attrition, the Office Manager position for Women’s Center has been eliminated, and another Office manager in the department will take on additional responsibilities

A Student Affairs Specialist was no longer needed and the staff member was re-assigned to Institutional Research

Auxiliary savings consist of the following:

Eliminated the Director of the English Language Program position and an administrative position.

The Office of Campus Life and the Student Government Agency Osprey Productions merged to form the Office of Osprey Life, which will be the main programming unit for student events and engagement. This synergy resulted in increased attendance at student programs and events, as well as eliminating the need for a programming student specialist. Other organizational changes created additional budget savings.

Administration and Finance eliminated an Associate Vice President Position and reassigned responsibilities among the other Associate Vice Presidents.

The Director of DSO Accounting position was eliminated, and those duties have been picked up by the University Controller and University Treasurer.

The reorganization of Human Resources saved $20 thousand.

Trustee Hollingsworth asked if UNF has ever received $10 million in recurring money. Vice President Shuman replied UNF received about $5 million several years ago. Smaller amounts over the years have also been allocated. Trustee Hollingsworth commented that $10 million is no small matter, and he expressed gratitude to President Szymanski and Vice President Duncan’s incredible leadership in obtaining this budget allocation. Chair Hyde asked everyone to give the team a round of applause.

Trustee Egan asked how the institution keeps from adding these positions back. Vice President Szymanski replied it is about strategic planning and reorganization and investing in our students. The positions eliminated will not be reinstated.

Next Vice President Shuman discussed the resources for 2019-2020. Then she discussed the proposed reserves. The legislature has increased the percentage for the required reserve from 5% to 7%. Reserves are as follows:

State Statutory 7% reserves

$13,558,950 nonrecurring Executive reserve

$500,000 recurring

$500,000 nonrecurring

Provost reserve: Strategic Hires and Strategic Support

$2,000,000 recurring

Next, Vice President Shuman discussed the major initiatives and gave a breakdown on how the money is allocated in the following categories:

Student Success: The below expenditures will assist with graduation, retention, employment and net cost to student metric:

Recurring

Transformation Learning Opportunities $400,000

CCEC Advisor 58,615

Scholarships 600,000

3 New Advisor Positions 152,818

3 Coordinator Career Development 182,748

2 Persistence Retention Specialist 109,649

Office of Undergraduate Research Scholarship 124,000

UNF + Pathways 50,000

Writing Center (QEP) 219,387

Community Alliance for Student Success 15,000

Trustee Aloszka asked about whether there is additional supplemental dollars in the budget, especially in regard to assisting with DFW rates. Vice President Shuman replied the budget does not contain additional funds for supplemental dollars.

Interim Provost Chally commented on the DFW rates discussing new proposals to reduce DFW rates.

Next, Vice President Shuman talked about Student Wellbeing. The below listed expenditures will assist with graduation and retention:

Recurring

Software for mental health and suicide training $15,000

Mandated National College Health Assessment 7,600

Alcohol Awareness programming 8,000

Campus Mental Health Initiative Coordinator 35,702

Non-recurring:

Operational Support for the Counseling Center $30,000

Auxiliary

Proposing reallocating $.09 of student fees to the Counseling Center

Vice President Shuman presented the Faculty investment expenses stating these expenses will assist with all the metrics.

Recurring

Promotion and Tenure $401,022

New Faculty in Accounting 185,122

New Faculty in Teacher Education 112,396

10 New Faculty Positions in CCEC 879,330

Reserve for Strategic Hires/Support 2,000,000

Provided for Raises

Non-recurring

Academic Affairs Equipment $500,000

Trustee Tanzler asked if an approved recurring budget this year could be non- recurring next year. Vice President Shuman replied yes. For instance, monies for currency and network have some of their budget recurring but as in previous years could be paid from non-recurring funds.

Vice President Shuman discussed the Analytics’ expenses stating the below expenses will enhance all of the metrics:

Recurring

Data Scientist $139,650

Graduate Assistants for Institutional

Research and Data Analytics 25,836

Data Analytics Specialist 55,824

Non-recurring

Stipends for Faculty Analytic Specialists 32,295

Vice President Shuman discussed the following expenses for Information technology stating these expenses will help facilitate retention and graduation.

Recurring

Systems Analyst Position $76,758

Systems Integrator Position 94,901

IT Engineer Position 104,670

IT Project Manager 95,494

Mobility and Desktop Engineer 90,714

ITS Internships 85,000

Non-recurring

IT Risk Assessment 35,000

IT Infrastructure

Wireless Locks for Data Closets $232,000

Currency-Replacement of Desktops/Servers 1,858,929

Complete Wireless Upgrade 750,000

Replace Network Infrastructure 2,313,768

Then Vice President Shuman discussed monies budgeted for scholarships and financial aid. The following expenditures will assist with the net cost to student metric:

Stay Strong/Book Scholarship $2,500,000

New Scholarships 600,000

Financial Aid-Tuition Differential 345,000

Undergraduate Research Scholarships 124,000

Increase to TLO Funding 100,000

Next Vice President Shuman stated if the $10 million is not approved, the following expenditures will be eliminated or changed:

Data Scientist

Graduate Assistant for IR/Analytics

Reduce Number of Wireless locks on data closets

Arena Bleachers

Special Events Position

New Faculty

Reduce Scholarships

Reduce New Advisors

Reduce marketing

Reduce new Career Coordinators

Reduce Persistence Retention Coordinators

Undergraduate Research Grants Increase

Reduce graduate assistant stipends

Eliminate Provost reserve

Reduce raise pool

Reduce TLO by $100,000

Reduce Minor Projects by $1,000,000

Reduce IT positions

Reduce currency/infrastructure

Trustee Egan asked how we know if the software programs for mental health well- being work and how are the impacts measured. President Szymanski commented the software is being used by all of the universities. Trustee Aloszka commented it is important to identify key ways to see a difference. President Szymanski said we are working holistically. Some examples are the Lend-a-Wing Pantry, helping homeless students and Counseling Center.

Next Vice President Shuman handed out spreadsheets explaining detailed information about the budget. The sources and uses spreadsheet highlights recurring and non-recurring amounts. This year, we will report to the BOG our non- recurring budget including expected timeframe to spend the money. The spreadsheet labeled Request for Recurring and Non-Recurring Funds details allocation of the new budget

A line chart reflects the percentage of tuition versus state revenue each year since 1988. For Fiscal Year 2019-2020, 38% of the E&G budget will be tuition and 62% will be state revenue.

She then presented a detailed summary of non-E& G funds. Auxiliary funds that have student fees used an all-time high of 427,000 credit hours to budget projected revenue.

Chair Hyde thanked everyone for providing such detailed information. The budget will be approved at the June meeting.

Meeting adjourned at 10:21 a.m.