



**President's Planning and Budget Advisory Committee
Meeting Notes – September 24, 2007**

Present: Ziegler, Paul, Mixon, Roy, Gayler, Dibble, Walters, Sowell, Robbins, Blumentritt, Strieker, Dennison, Gamadanis, Perry-Johnson, Lyons, Matson, Hinds, Johnson, Rechsteiner, Carter, Papp, Rascati

Paul opened the meeting. He noted that some faculty has been asking for minutes. The consensus of the committee was that minutes would be disseminated, and consideration will be given to establishing a website. Information flow is a key point with faculty.

ACTION: Paul and Johnson to determine best method for distribution of meeting notes.

Dr. Ashok Roy, Assistant Vice President for Financial Services, gave an overview of the budget process. Noting that only 43% of our budget comes from state appropriations, he reiterated the importance of fund raising. Papp noted there is nothing surprising in our budget compared to other comprehensive universities in the USG. Roy reported on the negative impact of fixed-for-four tuition - even if we have another significant tuition increase, the net impact on revenue for each institution will be a reduction in tuition stream income. Revenue can be described like a three-legged stool – state allocations, grants and contracts, and comprehensive campaign funding.

Gamadanis provided an overview of the FY08 budget plan and provided accompanying handouts. The timeline for submission of the budget plan is November through January; by December revenue projections are made based on enrollment projections; by April tuitions rates have been determined by the BOR; and, in May we receive notice of allocation. While not satisfied with KSU's allocation, we received the highest percentage of allocation within our institutional sector. With FY08 budget we began the use of "red financing," which is simply putting more in the budget than we have revenues sources for, with the assumption that we will have increased enrollment or temporary sources of funding to cover any overages; other it will be covered in FY09. This is a customary budgeting practice. For FY08 we will have additional funding available through enrollment increases and vacancy lag. In preparing the FY09 budget plan, institutional needs will be brought forward by the Cabinet for review by PPBAC.

Paul indicated that faculty has expressed concern about the auxiliary services budget during the parking process. Is there any way to help people understand the auxiliary services budget process? This process will be discussed at the next meeting. Blumentritt asked if we are making a connection between the strategic plan and the budget. Roy responded yes - that's the purpose of benchmarking and metrics to indicate measures.

We are flexible to some extent; deans and department chairs are asked to run numbers based on credit hours, and modifications to the budget are made within limits.

Anderson distributed a handout, based on the 2006 master plan, describing future building priorities. Current focus is on additional housing, the parking deck, health sciences building and a new dining hall. Construction is underway on the housing and parking deck, and the other two are under design. He reviewed a list of projects to be funded by state monies. Green indicates those most likely to be funded and constructed this year. Red is likely to be next year's projects or could be moved to the top of the list, if necessary. This committee will make recommendations on next year's priority list – just like last year's committee deliberated on this year's priorities. In May when we look at end-of-year monies, PPBAC will make recommendations on how those monies should be spent. This list is fluid since cost estimates are a work in process. Cost reduction and good use of space is of primary importance. Blue projects are those under consideration – they require additional discussion and might be funded through alternative sources. The Health Sciences Building is at the top of our Capital Project Request Summary, and is expected to be funded this year. Utility Expansion includes major infrastructure improvements. The Capital Project Request Summary is a five year plan totaling \$87.7 million. The Non-State Project Summary depends on the availability of private funds. The MRR Funds for FY08 total \$847,226 and are expected to increase in FY09.

The meeting adjourned at 3:30 p.m.

Next meeting will be held October 15, 2007 at 2:00 p.m. in the Presidents' Board Room of Kennesaw Hall.