

3-27-2018

Finance minutes 03/27/2018

Finance Committee

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UMM FINANCE COMMITTEE MINUTES

3-27-18

Members Present: Roger Rose, Michael Korth, Mark Logan, Ramsay Bohm, Naomi Skulan, Dennis Stewart, Brad Deane, Angela Anderson, Josiah Gregg. Non-voting members present: Stacey Aronson, Bryan Herrmann

Others Present: Melissa Wroblewski, Janine Teske

Members Absent: Salvi Alam, Josiah Gregg

Non-voting absent: Kerri Barnstable

Agenda:

1. Approval of Minutes from 3-20-18

Minutes were approved as submitted.

2. Savings from cuts overview

Bryan Herrmann projected a worksheet that gave an overview of the savings that will be created due to recent cuts that were presented at the Community Meeting by Chancellor Behr. The cuts were included in four areas and discussion followed. The numbers below include salary and fringe.

1. Unfilled Faculty Positions - \$379,402
 - No current faculty were affected
 - The funds were in the FY18 budget but not used and will not be included in the FY19 budget
2. Non-tenure line Teaching and Voluntary and Involuntary Faculty Reconfiguration, reduction and reallocation - \$210,340
 - Phased retirements
 - Reduction of appointments
3. Office Re-organizations \$332,034
 - Savings from position reductions and efficiencies
 - Some have been completed, others at the end of the semester
4. Voluntary departure, staff turnover, and requested reductions - \$158,618

A concern was made regarding the fact that faculty has been cut by over \$600,000 and what we might be losing students with not filling positions. For example: not filling the Economics position, is it going to affect the number of students applying? What are the other costs? Are there long term costs that we might be missing? How do

we put a total on the numbers? We discussed that positions not filled may affect courses offered. UMM faculty staffing had been based on 1800 students enrolled, now we are closer to 1500 students.

There were concerns about how some of the cuts would affect Career Services as well. There were comments made that our Career Services area could be enhanced to provide better services to our students in preparing them for a career after college. Another example was in the IMT area, the Senior Engineer position is now gone, and two people are now having to do the work of three.

A concern was made that the way we are making the cuts seems to be based on chance not by strategy as the positions become available. Bryan explained that some of the open positions eliminated have not been filled for almost two years, and that the division chairs were consulted with on the reduction/eliminations of faculty positions. Bryan also mentioned that going forward, the chancellor is hoping the strategic planning process will help make any future reductions more strategic and in line with the new strategic plan for the Morris campus.

3. Overview of Central Allocations

A handout of was given to members at the last meeting to be reviewed for status of Non-Restricted Carry Forward Amounts. The committee was asked to forward any direct questions regarding this document to the chair of the committee, Roger Rose. Michael Korth submitted several questions to the chair and his questions were forwarded to the committee prior to today's meeting. Due to limited time remaining in the meeting, only a few of the questions were able to be addressed.

Bryan Herrmann noted to the committee that this document was for the money that was in the Carryforward account as of July 2017. Bryan also noted that there are funds in the carryforward that are restricted. For example, the need to have a carryforward balance for ORL, the wind turbines and for the Center for Small Towns, Grant-in-Aid awards received, and etc.

There was a question as to why there was \$29,991.16 in DeptID #10529 Program 20840 and it was noted that this money has been set aside for medical backfill program, to support those that may need this, as a request of the Morris campus. Also noted was that the salary variance in Fund 1000 only, on June 30 of each year,

goes to the contingency account and that we take about \$30,000 of that to support the medical backfill for the next fiscal year.

It was explained that understanding that the carryforward amounts listed are now exactly what is available for use to cover the \$500,000 needed to balance the FY18 and FY19 budgets. Some of the carryforward amounts listed may have been spent in FY17, but due to processing time, did not come out of the UMM accounts until FY18 (after July 1, 2017). **Next meeting April 3rd - The meeting was adjourned.**

Time was up for our meeting and it was noticed that we would like to continue this discussion at our next meeting on April 3, 2018. Jennifer Zych-Herrmann will be at the meeting to present on Admissions trends, constraints and new initiatives. The meeting was then adjourned.