UBAC Committee Meeting
November 1, 2016, 10:00-11:30 a.m., HCC 210

Committee Members Present: Will Mackintosh, Janet Asper (chair), Wei Chen, Brian Rizzo, Jane Huffman, Julie Smith
Visitors: Paul Messplay, Rick Pearce

1. Janet Asper called the meeting to order
2. Paul Messplay gave the committee an update on this year’s budget
   a. The total FY17 operating budget is $120,174,676, a 5.3% increase from FY16. More than 50% operating budget is dedicated to faculty and staff compensation.
   b. The following changes have been made to the FY17 budget since it was originally adopted:
      i. Overall, about a million dollar reduction, the highlights of which include:
         1. Elimination of state supported permanent salary increase of 3% for faculty and staff—general fund reduction of $447,035 (state was only funding 1.5% of that canceled increase; the other 1.5% was to come from institutional funds)
         2. State mandated increase in cost of VRS supported by nongeneral funds—general fund reduction of $314,000
         3. Retraction of interest earnings on tuition and credit card rebates—budgeted revenue reduction of $50,000
      ii. Dr. Paino’s compensation enhancement initiative
         1. 2.5% permanent increase for teaching faculty
         2. $1,000 bonus for administrative faculty and classified staff
         3. $500 bonus for wage employees working more than 100 hours during FY16
         4. $100 bonus for wage employees working less than 100 hours during FY16
         5. Funded by the 1.5% in institutional funds already allocated for the canceled 3% increase, plus increased revenue from enhanced enrollment.
         6. The university does not have the ability to take unilateral across-the-board salary actions for classified staff (without state action), which is why they are receiving bonuses instead
      iii. Revised budget increase is 5.1%, not 5.3%
   c. Allocation of the additional funding in the FY17 budget has been allocated in the following ways:
      i. Student Financial Aid: $2,650,000
         1. Institutional Aid (need & merit): $2,255,000
         2. State Aid Program: $245,000
         3. Pell Grants: $150,000
      ii. Salaries/Fringe Benefits: $1,782,000
         1. Annualize FY16 2% Salary Increase: $267,000
         2. FY17 UMW Compensation Actions: $865,000
         3. FY17 Fringe Benefit Rates: $650,000 (mostly VRS increase)
iii. Operating Costs: $714,000
   1. Utilities/O&M: $250,000
   2. Contracts & Leases (ResNet, Dining, Custodial): $464,000
iv. Debt Service: $625,000
   1. University Center: $460,000 (scaffolded increase)
   2. New Track at Battleground Athletic Complex: $165,000
v. New Initiatives: $193,000
   1. New Talley Center counselor: $80,000
   2. Title IX Investigator: $91,000
   3. Center for Business Research: $10,000
   4. Men’s & Women’s Golf: $12,000
vi. The FY17 budget addresses both of the committee’s top priorities from last year, which were hiring a new counselor with the Talley Center counselor and salary actions.
d. Tuition and fees increased around 3% on average for 2016-2017, with the exception of the Auxiliary Comprehensive Fee, which increased 8%, mostly to cover debt service on the University Center
e. Our costs are about middle of the pack for the 5 public higher educational institutions in Virginia:
   i. We are about in the middle of the pack for in-state commuter students.
   ii. We are at the lower end of the cost spectrum for out of state students.
   iii. We are right in the middle of the pack in the middle for room and board costs.
f. Current capital projects include:
   i. Jepson Science Center Renovation & Addition: $31.4 million in General Funds (state)
   ii. Seacobeck Hall Renovations: $27 million (estimated) in General Funds (state)
   iii. Track at Battleground Athletic Complex: $2.5 million in revenue bonds (student fees)
   iv. Heslep Amphitheatre Renovations: $3.0 million (private fundraising goal)
   v. Residence Hall Renovations: TBD supported with revenue bonds (student fees)
   vi. Underground Utilities: $7.5 million in General Funds (state), and $0.8 million in nongeneral funds (student tuition/fees)
   vii. Maintenance Reserve: $1.2 million in General Funds (state)

3. Committee Business
   a. Janet asked the committee members to focus on recruiting a new member who can attend our meetings at 10 AM on Tuesday.
   b. Janet asked the committee members to send her ideas about who the committee wants to hear from next. The committee asked to hear from the marketing team in the near future.
   c. The next committee meeting is November 15, 10 AM, in HCC 210. We will hear from the Provost regarding salary issues.

Adjourned at 11:21 AM  Minutes approved 11/7/2016