

**University of Louisville – Faculty Senate – Planning & Budget Committee**

Committee Report for February 5, 2020 Senate Meeting

Prepared by Reginald Bruce, Committee Chair (Management, College of Business)

In attendance: Reginald Bruce (P&B), David Simpson (P&B), David Schultz (P&B), Diane Chlebowy (P&B), Connie Shumake (Provost – OAPA), Joanne Webb (Provost – OAPA), Dan Popa (Speed), Johanna Boone (Speed)

There was a meeting held on January 31<sup>st</sup>. Dr. Dan Popa (Speed School) presented the proposal for the establishment of the Louisville Automation and Robotics Research Institute (LARRI). Slight revisions to the proposal are being finalized and will be sent out to the Faculty Senate for consideration at the March Faculty Senate meeting. The committee voted to support the revised proposal.

Planning & Budget members will be members of the new Budget Planning and Monitoring Committee. The charge of this committee is to advise the president and her leadership team about the allocation of current and future financial resources and ensure they are in alignment with the university's mission and strategic plan and used in the most responsible manner.

The committee will be co-chaired by the Provost and CFO with primary support from the staff of the university's finance division. The committee will begin its work in February with an initial focus on the FY20/21 budget development process (that culminates with Board of Trustee formal approval of the university's operating budget in June).

Three subcommittees will operate under the BPMC as needed. They are:

1. **Funding Request Subcommittee:** All requests for new or additional general fund support from the university will be routed through this subcommittee. In collaboration with the university budget office, the subcommittee will establish a process for units to submit funding requests. The subcommittee will review and recommend approval or denial of each request to the BPMC.
2. **Budget Model Discretionary Allocation Subcommittee:** An effort to change the university's existing budget model from an incremental approach to one predicated on performance is nearly complete. The new model will allocate general fund budget amounts to each academic unit based on their undergraduate credit hours, graduate and professional tuition revenue, and other non-tuition revenue (e.g., course fees). A budget balancing, or discretionary, amount is the other element of the model. This subcommittee will recommend to the BPMC how those latter funds should be allocated by academic unit.

3. **Administrative Activity Review Subcommittee:** This subcommittee will review the costs and structure for administrative activities that are directly allocated to units and recommend any changes to the BPMC.

The work of the BPMC will intersect with (and complement) several other existing university committees. These include—along with the scope of their charges—the following:

- **Budget Model Workgroup**
  - Charged with developing a new budget model for the university, this workgroup has been meeting for the past year. It is co-chaired by Dean Bradley and Jim Begany and includes members from each academic unit, staff and faculty senates, and students. The new budget model will have important bearing on the work of the BPMC. Both co-chairs of the Budget Model Workgroup will serve on the BPMC to provide continuity.
- **Strategic Plan Implementation**
  - The president's new strategic plan is in the implementation phase. The BPMC must ensure that its recommendations advance the strategic plan. Because the strategic plan operates in three-year windows, the BPMC should consider a similar timeframe in its recommendations.
- **Task Force on Tuition and Fee Setting**
  - A long-standing workgroup charged with reviewing all student fees and tuition rates and making recommendations to the provost, the Task Force on Tuition and Fee Setting will continue in this role. Although the BPMC will not formally review tuition rates and fees, the task force will provide regular updates to ensure consistency and alignment with the BPMC's work.