Summary of Staff Council Meeting
January 5, 2010

January’s meeting included a presentation by Richard Cate, VP for Finance and Administration regarding the status of our current budget as well as the fiscal year 2011 budget; there were several staff-related announcements, and the Staff Council President’s update.

Vice President Richard Cate began by reminding everyone that the fiscal year 2009 budget closed with a $7 million dollar deficit. Fiscal year 2010, the current budget, was approved last May with a projected $5 million dollar deficit and it now appears that through a combination of several resources, that this projected shortfall may be eliminated. Looking forward at fiscal year 2011 (hereafter FY ‘11), the challenges ahead include our economy which has yet to fully recover and a significant increase in demand for financial aid which increased $10 million this year over last. UVM’s financial aid to students is projected to increase another $6 million in FY ‘11. Richard’s office is currently predicting a $9.5 million dollar shortfall for FY ‘11, assuming we increase tuition by six percent (6%). Recognizing that UVM cannot continue to have annual deficits, his office has focused on forecasting out three years reviewing all aspects of the general fund in search of ways to spend less (not on people, but functions). As a result, they have reduced the projected deficit in the FY ‘11 budget by $5 million, leaving a $4.5 million shortfall. Richard indicated a second communication will be issued to everyone shortly, in follow up to President Fogel’s December 15th memorandum, asking members of our campus community to recommend ways in which to address the remaining projected gap of 1.5 % of our general fund budget, or $4.5 million dollars. Employees will be asked to send their recommendations to their respective governance body.

When asked if employee benefits will be targeted in the current FY ’11 proposal, Richard indicated that he does not expect recommendations for significant changes to the current benefits plans. However, he does anticipate future changes to the University’s current retirement benefits package. UVM currently pays about $10.5 million for retirees’ health insurance. Due to a recent accounting standards change (GASB 45), we must now forecast retirement costs for all employees based on their life spans. In 2009 dollars the 30-year span of forecasted retirement benefits is $320 million dollars. If we do nothing, in 30 years that number will be $550 million. Richard hopes to have recommendations on this matter for both the Board and UVM employees to consider by summer 2010.

Richard reported that UVM is very focused on finding ways to spend less money and asked that we all think about ways in which we can do business differently and less expensively. He asked everyone to encourage their constituents to participate in the process and put forth their suggestions to reduce our deficit. He specifically asked for suggestions for permanent savings, not just one-time savings. Richard said he believes we can find solutions.

The deadline for submissions for the February Edition of Staffline is Friday, January 15th; ski vouchers for Jay Peak Resort, Smugglers’ Notch and Sugarbush Resort remain on sale; Staff Council is accepting applications from permanent non-represented staff members to serve a half-year term with the option of reappointment in July 2010 for a year-long term on the Clean Energy Fund Committee. The Clean Energy Fund (CEF) was created in response to students'
vision of the University of Vermont running efficiently on a fraction of its current energy needs, powered by clean, locally produced renewable energy that fulfills both the University's needs and supports the local economy. The application deadline is January 15th.

Staff Council is also accepting nominations for one permanent non-represented staff member to serve a one-year term on the Board of Trustees Audit Committee beginning March 1, 2010. The Audit Committee is responsible for overseeing the quality and integrity of the University’s financial statements, ensuring institutional compliance with mandatory auditing standards, and evaluating institutional systems of risk assessment and internal controls. The nomination deadline for the Audit Committee is February 12th. For more information see the January edition of *Staffline*.

Beth Walsh reported on a meeting with President Fogel, Gary Derr, VP Executive Operations and Chief of Staff, and Jon Reidel and Jeff Bukowski. Discussions included President Fogel’s December 15th letter to the University community and how he wants to engage the campus community in the process of identifying savings and revenue to close the budget gap of 4.5 million; there are no changes to report, as of yet, to the General Education Requirement; Gary Derr agreed to look into ‘release time’ for grant-funded employees; and Beth raised concerns over transparency and the Transdisciplinary Research Initiative (TRI). President Fogel said the work of this committee is moving forward and he expects the TRI will be issuing its recommendations after January 15th. Beth reported that neither she nor Jon Reidel could attend the Board of Trustees’ Executive Committee Meeting in December.

The next Staff Council meeting will take place in the Davis Center Livak Ballrooms, Tuesday February 2nd, 2010 at 12:05 p.m.