



FACULTY SENATE

Financial & Physical Planning Committee
October 5th 2020 2:00 – 3:30 pm
Microsoft Teams

Minutes

Present: Terry Bradshaw (CALs), Thomas Chittenden (Faculty Senate President), Terri Donovan (RSENR), Teresa Cahill-Griffin (CNHS), Tony Julianelle (CEMS), Jane Knodell (CAS), Guillermo Rodriguez (CAS), Andrey Ukhov (GSB), Cory Teuscher (LCOM), Haley Woodside-Jiron (CESS)

Absent: Paul Philbin (LIB), Pending (SGA), Pending (LCOM), Pending (GSS)

Guests: Richard Cate

The meeting was called to order by chair Jane Knodell at 2:30pm via Microsoft Teams.

1. **Approval of September Minutes.** The minutes of September 4, 2020 were approved as written.
2. **Overview of the UVM Budget, Richard Cate and AY21 Enrollment Update.** *Get the slides from Richard.*

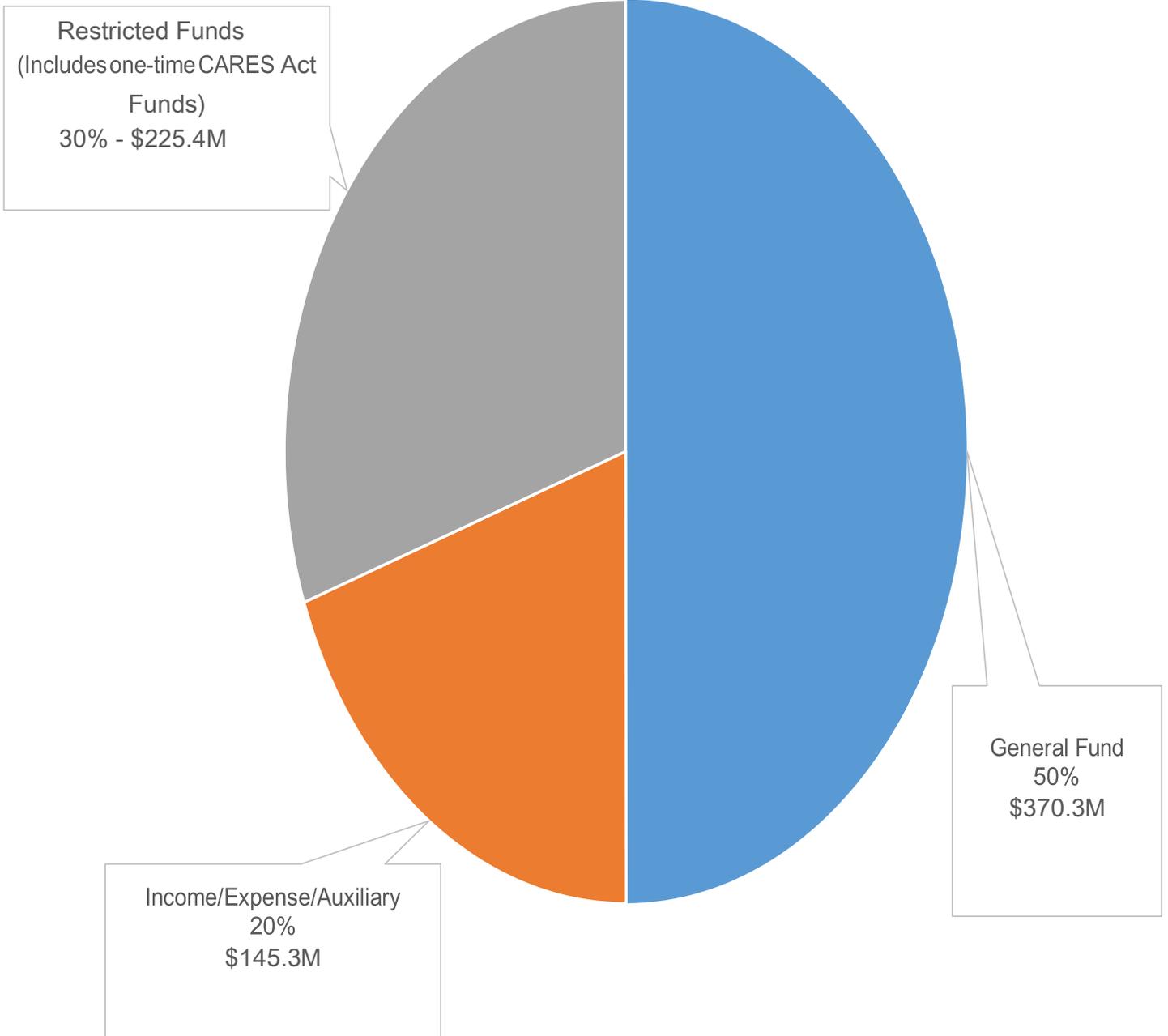
UVM Budget 101

October 5, 2020

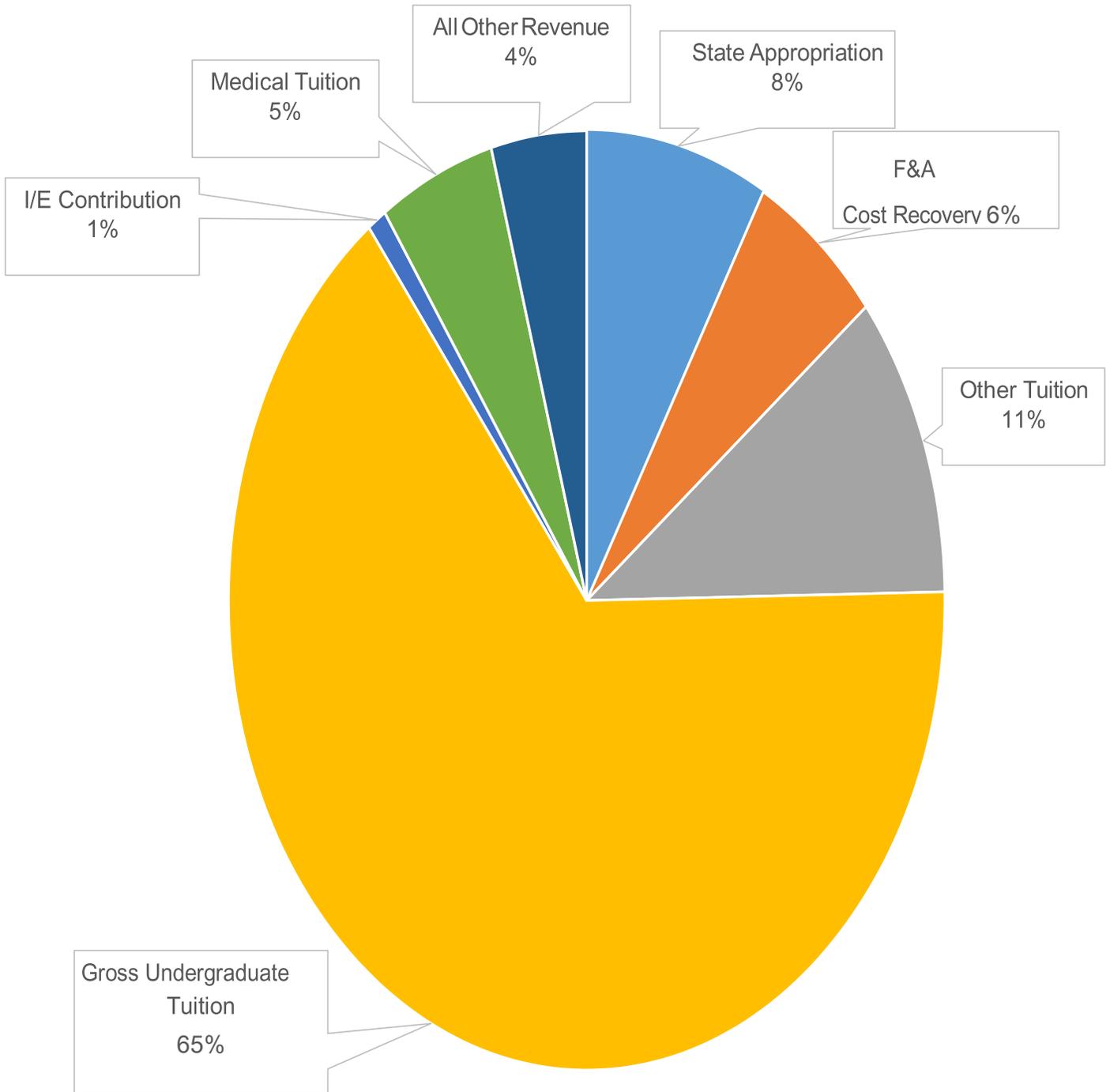
Richard H. Cate
Vice President for Finance and
Administration

**The University of Vermont FY21
Operating Budget**

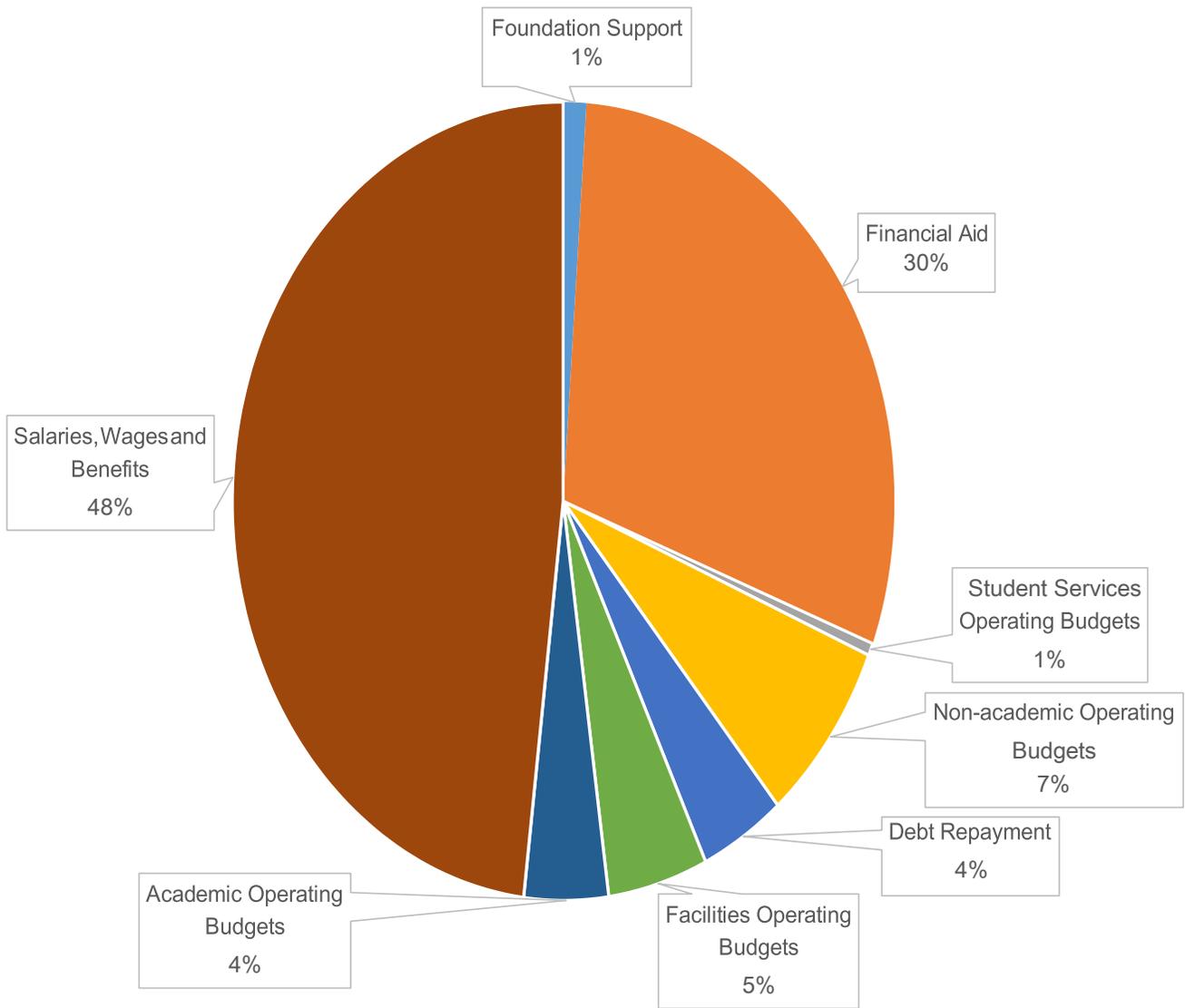
\$741M



FY21 Gross General Fund Revenue - \$518M



FY21 Gross General Fund Expense - \$529M



FY 21 General Fund Operating Budget Talking Points

- The University has been operating with an interim budget, previously approved by the Board, for the period July 1 – September 30, 2020.
- Spending controls and hiring restrictions constrained spending in the last quarter of FY 20 and the first quarter of FY 21.
- Significant expenditures had to be made to deal with the effects of COVID-19, including for: COVID testing, expanded technology to accommodate remote and hybrid instruction, rooms, meals, and parking refunds for students, sanitation and physical distancing equipment and supplies, federally required leave for some employees, and contracted labor to assist with cleaning buildings.
- In FY 21, we are experiencing revenue declines in a number of areas including tuition and comprehensive fees, room and board fees, athletics event fees and NCAA revenue, and parking fees.
- Average enrollment for the year is projected at 9,939 as compared to actual enrollment of 10,394 in FY 20.
- We are projecting net tuition for FY 21 will **\$23.3M below** that in FY 20; this compares to our budget planning target of being below last year by \$26M.
- Other than net tuition, most general fund revenue categories are similar to FY 20 levels; exceptions include sharp declines in athletics-related revenues and a nearly 5% increase in cost recovery for sponsored research activity.
- If we made no expense reductions and did not use any reserves, the general fund deficit for FY21 would be **\$21.4M**; the following strategies were employed to **balance the budget**:
 - Academic Unit expense reductions of \$2.7M
 - Support Center expense reductions of \$11.4M
 - Academic Units use of reserves of \$9.4M
- The Larner College of Medicine has a balanced budget totaling \$78.3M.
- **Total general fund budget of \$370.3M for FY 21 (full year)**

Projected Use of FY 2021 State and Federal COVID Funding

Technology Hardware and Software for Remote Instruction	4,000,000
---	-----------

Additional Compensation, Leave, and Unemployment	2,500,000
Equipment, Supplies and Other	2,700,000
COVID-19 Testing	11,000,000
Specialized Labor for Sanitizing Buildings	400,000
Additional Staffing and Support Instruction	600,000
Additional Financial Aid (original projection)	10,000,000
Facilities Modifications	200,00
Subtotal	31,400,00
<i>Office of Engagement ("university Business Resources Center")</i>	2,000,000
Total	33,400,000

There were questions about patterns of deficits and surpluses in the schools and colleges, the strategy on tuition rate-setting, the recently announced cuts to the FY21 operating budget in CAS, and the financial aid budget.

3. Action Items.

- Thomas Chittenden will work with the Provost's Office to encourage that they have a Provost Teams meeting that addresses the UVM budget.
- Jane will work with the Office of Enrollment to get a guest to come to the November FPPC meeting to discuss enrollment and retention.
- The committee would like a guest from athletics at a future meeting to discuss how athletics helps recruit students to campus.

The FPPC meeting was adjourned at 3:52 pm. The next meeting of the FPPC will take place on November 2, 2020 via Microsoft Teams.