

MINUTES

April 11, 2018 University of Nebraska – Lincoln Academic Planning Committee

Members Present: Bender, Bloom, Boehm, Clarke, Farrell, Franke-Schubert, Minter, Moberly, O'Connor, Plowman, Purdum, Reilly, Sollars, Trainin, Traynor, Tschetter, Woodman, Zeleny

Members Absent: Goddard

Others Attending:

Note: These are not verbatim minutes. They are a summary of the discussions at the Academic Planning Committee meeting as corrected by those participating.

1.0 Call

Bloom called the meeting to order at 3:01 p.m.

2.0 Approval of April 4, 2018 Minutes

O'Connor moved for approval of the minutes. Motion seconded by Moberly and approved by the APC.

3.0 Chancellor Green

3.1 Budget Framework and Timeline

Chancellor Green stated that he was invoking the procedures to deal with budget cuts and was meeting with the APC to begin Phase I which requires him to describe the budget framework and the proposed timeline. He noted that the current budget difficulties actually started in November 2016 when the university learned that the Governor would be holding money back from the University's approved budget because of a decrease in state revenue. In order to deal with the budget decrease, the University instituted a hiring freeze. Chancellor Green stated that in 2017 the Legislature reopened the existing state budget which resulted in a rescission to the University budget, resulting in \$7.5 million cuts which UNL had to address. He noted that last April the campus dealt with the \$7.5 million, primarily through savings acquired by the hiring freeze and some cash reserves.

Chancellor Green stated that in early 2017 the Legislature worked on the State's biennial budget for FY18/19. He noted that the University would have a \$49 million shortfall, \$17 million of this would be for UNL to cover. However, the budget reduction task forces were able to cover \$11.3 million of UNL's deficit leaving us with \$6 million in budget cuts that needed to be dealt with over the biennium. He pointed out that he suggested that the campus identify an additional amount of 1% in cuts in order to give us some contingency funds should the university be hit with another rescission.

Chancellor Green reported that in December we learned that the health care costs were almost half of what had been projected and there were greater savings than expected due to the budget reduction efficiencies, reducing UNL's budget cut to \$3.8 million. He noted that in December he

removed two of the proposed cuts and in January the APC approved \$3.4 million of his proposed budget cuts.

Chancellor Green stated that this year the Governor proposed a 2% rescission and for the next year of the biennium (FY19) he proposed a 4% cut from the University's permanent budget, but the Legislature approved a 1% cut instead beginning on July 1. As a result, UNL has a \$5.7 million cut from the rescission this fiscal year, and \$2.9 million budget cut in the permanent reduction. He pointed out that the APC does not have to deal with the \$5.7 million cut because 2% of the campus budget was held back to address any future rescission for this year. He stated that the APC will need to consider budget cuts totaling \$2.9 million. He reported that he will present his proposed budget cuts to the APC at its April 18th meeting and noted that he, EVC Plowman, and VC Boehm have worked hard through the process to protect academic degree granting programs.

Zeleny pointed out that Phase II of the budget cutting process will begin next week when the Chancellor presents his proposed budget cuts to the APC, Presidents of UAAD and UNOPA, and the Senate Executive Committee. He stated that the proposed cuts will be made publicly on April 19, and the process could conclude in late April or early May with the Chancellor making final decisions in June.

Chancellor Green stated that we do not know what the budget will look like in the next budget cycle, but the cuts that will be proposed next week seek to protect academic programs as much as possible. Moberly thanked the administrators for the difficult work they have done. He asked exactly what the budget framework is considered. Chancellor Green stated that the budget framework are the reasons why budget cuts need to be made. Minter stated that she realizes how complicated that situation is, but is concerned that members of the Legislature do not understand the process that UNL has to follow to deal with budget cuts and the seriousness of the cuts. Chancellor Green stated that the Legislators are informed and aware of the processes.

Farrell asked how constrained UNL is since it was forced to identify academic programs that could potentially be cut. Chancellor Green stated that the budget is very fluid and the programs that were identified would possibly have been cut if the university was to have a 4% reduction in its permanent budget which the Legislature did not approve. Bloom asked if tuition increase was ever considered to save an academic program. Chancellor Green stated that there has been some discussion about increasing tuition. He noted that there was a 5.4% increase across the board in tuition for this year, and next year there will be a 3.2% minimum increase. These increases have already been approved and enacted, but he does not expect any further increases at this time.

Lanham noted that funds have been taken out of open lines and from units to address the rescission and questioned how these funds would factor into the \$2.9 million budget cut. Chancellor Green stated that the \$7 million needed for the rescission are basically horizontal budget cuts and all units are hurt by this process. He stated that some funds were pulled back from cash reserves from some units across the campus, and he is concerned that this process has become a routine way of budgeting.

O'Connor stated that the perception is that the proposed budget cuts equaling \$2.9 million will help to save programs, but the budget reduction efficiencies will have definite effects on departments. He asked when we will know the impacts of these efficiencies. Chancellor Green stated that most of the efficiencies are achieved through positions not being filled, outdated systems that are no longer needed, and centralization of some units. However, some of these changes will occur over a period of time.

Bloom noted that the timing of the budget cuts may require the APC to extend its work into May, although the Committee will try to work as expeditiously as possible. Chancellor Green pointed out that if there is a proposed cut that the APC feels that they cannot address by the end of the semester, the Committee should say that it wants to revisit the proposed cut in the beginning of the new academic year. Bloom stated that providing as much context on why the cut is being proposed would be helpful for the Committee.

Bloom stated that the next steps after the APC has been informed of the proposed budget cuts will be to publicly announce the procedures that people need to follow in order to provide written feedback concerning the proposed cuts. He pointed out that there is now an APC email address (apc@unl.edu) that people can submit their written statements to.

Moberly questioned whether any changes can be made to the procedures so the APC is not in the position again of having to deal with budget cuts at the end of the academic year. Chancellor Green stated that the Faculty Senate needs to approve any changes to the procedures. Bloom suggested that the procedures need to be cleaned up and the APC could consider whether the process can be streamlined without losing their strong emphasis on faculty governance.

Bender moved that the APC approve the budget framework as presented by Chancellor Green. Motion seconded by Farrell. O'Connor asked if the APC has flexibility with the timeline. Bloom pointed out that the Committee can act only as quickly as it can. Farrell suggested an amendment that we accept the proposed timeline, but the Committee has the option of modifying the timeline as needed. Bender accepted the amendment. Minter called the question. The motion was approved.

The meeting was adjourned at 4:41 p.m. The next meeting of the APC will be on Wednesday, April 18, 2018 at 3:30 in the City Campus Union, Georgian Suite. The minutes are respectfully submitted by Karen Griffin, Coordinator.