**University Planning and Budget Committee**

**Minutes of the Meeting of September 6, 2016**

**Members Present**: R. Benfield, L. Bigelow, A. Bray, C. Casamento, J. Hodgson, Y. Kirby, M. Leake, C. Lovitt, F. Malhas, L. Marchese, K. Martin, C. Valk, R. Wolff

**Absent**: P. Foster, C. Galligan, J. Nicoll-Senft, L. Tordenti, 3 student representatives

1. Meeting was called to order at 2 p.m. by C.Valk.
2. Introductions of new and continuing members.
3. Election of Chair, Vice Chair and Secretary.
   1. R. Wolff was nominated (Benfield/Martin) to serve as Chair for the 2016-2017 year. He accepted and was unanimously elected.
   2. Nominations were sought for Vice Chair. No nominations received. Matter postponed to next meeting.
   3. L. Bigelow self-nominated to serve as Secretary. No further nominations were received and she was unanimously elected.
4. UPBC’s AY16-17 agenda.
   1. R. Wolff sought a recap on old business. C. Valk indicated there was no quorum at the last UPBC meeting of AY15-16 and reminded the committee that Senator Blitz had raised a question regarding the Division I status of the Athletics program. Hearing no active old business, R. Wolff indicated he would confer with the Senate President to garner input on the UPBC’s AY16-17 agenda. K. Martin reminded the UPBC that *ad hoc* committees should not do the work of standing committees of the Senate. It was stated that the UPBC annual reports for the last two academic years are now on the UPBC’s website.
   2. R. Wolff solicited UPBC opinion on the committee’s AY16-17 agenda and the matter of the University’s current but aging Strategic Plan was raised. Y. Kirby recommended moving forward on the assumption that the current Strategic Plan would remain in place until a new President directs otherwise, particularly because the University has just begun the self-study for the upcoming Fall 2018 NEASC reaccreditation visit, but also because it was a likely assumption that key metrics in the current Strategic Plan (e.g., retention and graduation rates, assessment, etc.) would remain constant while other metrics may be added or deleted. C. Casamento also voiced support for operating on the assumption that the current Strategic Plan would remain in pace for a significant portion of AY16-17.
   3. R. Wolff asked the CFO to recap the current budget process for the benefit of members new to the Committee. She recapped the calendar that has been used in the past several years and emphasized that President Miller’s holistic viewpoint served us well.
5. Chief Financial Officer’s Report
   1. Overall update: C. Casamento indicated that there is no scenario that will not result in a cut. She indicated that we were in relatively good shape just before the legislature adjourned in May, but the state of the current University budget would not be known for at least a few weeks, when the third-week freeze data becomes available. She reported that a holdback did occur in \_\_\_ , that CCSU’s share of that holdback was $2.7M, and that the holdback affected all State agencies. While holdbacks could be restored, she indicated that was not likely to be the case. The first look at the budget for this year will occur on September 15th; another look will come right after the November elections. She indicated the University is likely facing a $2-$3M deficit for FY17.
   2. Sodexho Contract: Over the Summer, Sodexho moved to terminate its contract with CCSU after sustaining a $1.6M loss last year. While it is unusual to have a food service vendor walk out, the University understood their business necessity to do so. CCSU solicited bids on the open market and there were no respondents. After consulting with the Attorney General’s office and holding extensive discussions on campus, the University made the decision to work with Sodexho to identify and implement adjustments (e.g., close and repurpose the Nutmeg Room, reduce operating hours of other food service facilities, etc.) that would mitigate Sodexho’s losses and allow the balance of the 10-year contract to continue to its natural end. As a result, CCSU will pay approximately $1.6M more annually. The rate paid to Sodexho is a sliding scale (we may more per head when there are fewer students) and with 100 fewer students in the residence halls (though the residence hall retention rate is good), the per capita cost is higher than it would be if the residence halls were at full occupancy. There was a brief discussion about the decision to bring a Starbucks to campus. The CFO indicated that Sodexho is contractually required to bring national brands to the campus and the Starbucks operation has been successful thus far, particularly in serving populations that arrive on campus prior to 8 a.m. on weekdays and on weekends.
   3. Positive Budget News: The fringe benefit increase was not as high as we thought it would be, netting an $800-900K savings. The University also saved $644K because fewer last minute end-of-year purchases were carried over to this fiscal year. $1M debt service on the new residence hall has been paid for using a reserve dedicated to servicing debt.
   4. Bigger picture: The Office of Fiscal Analysis projects a $760M deficit next year and a $649M deficit the year after.
6. Meeting location for AY16-17 meetings: Vance Academic Center, Room 106 has been reserved for the 1st and 3rd Tuesdays of the month, except for November 1, when it will be in an alternate location.
7. Meeting adjourned at 2:50 p.m.