COMMITTEE: University Budget Committee

MEETING DATE: April 17, 2003

PERSON PRESIDING: Rick Niswander

REGULAR MEMBERS IN ATTENDANCE: P. Clark, H. Ferrell, B. Hanrahan, R. Niswander, K. Walsh, L. Mayne

EX-OFFICIO MEMBERS IN ATTENDANCE: C. Hawkins for R. Brown, J. Gaddis, M. McCarthy, G. Vanderpool, R. Thompson, R. Morrison

OTHERS IN ATTENDANCE: L. Lee, J. Westmoreland

ACTIONS OF THE MEETING:

Description of action:
The minutes of the March 20, 2003 meeting were approved.

Chuck Hawkins (in for R. Brown) discussed the status of the state budget. For 2002-2003, general tax revenues and other collections are down and the potential deficit could be as high as $323 million. For ECU, this means that most likely no carry-forward funds will be permitted and reallocation plans are being retracted. While budget changes are expected as the budget bill moves through the House and Senate, currently ECU would have shortfalls of 60% in funds needed to run new buildings and to cover the utility deficit. Enrollment increase funds could be used to offset some cuts. The House budget currently gives state employees a 1.6% salary increase and increases tuition (both in and out of state) by 5%.

Gary Vanderpool shared the budget picture for the Medical School Campus. Total reversions and cuts (one-time as well as permanent) have reduced the operating budget by 6.5% in the current budget year. In addition, since no enrollment increases apply, the only budgetary relief is from the Practice Plan. Due to the poor economy, many people losing health insurance, and reduced reimbursement rates, that source of revenue is decreasing (increased patients but decreased payments).

The committee reviewed the Report of the Task Force on Campus Resource Allocation and approved (with some corrections and changes) an e-mail to be sent to the University faculty.

The Committee’s annual report was also approved.

Distance education will be the focus of the committee when it reconvenes in August.

NEXT MEETING: August, 2003