University Budget Committee

January 20, 2005

Regular Members in Attendance: Cal Christian, Henry Ferrell, Nancy House, Carol Lust (excused), Kathy Misulis (excused), Art Rodriquez, Ralph Scott

Ex-officio Members in Attendance: Andrea Harrell, Catherine Rigsby, Bob Thompson, Gary Vanderpool.

Others in Attendance: Chuck Hawkins, Lori Lee, Susan Chapman, Stephanie Coleman, Garrie Moore, Amy Waters, James Westmoreland

Person Presiding: Henry Ferrell

Professor Ferrell called the meeting to order at 4:01 P.M.

Agenda Item #1: Without objection Professor Ferrell declared the minutes of the December 16th, 2004 meeting of the committee approved as submitted by the secretary.

Agenda Item #2: Without objection Professor Ferrell approved a revised agenda for today’s meeting.

Agenda Item #3: Report of Vice Chancellor for Student Life, Garrie Moore.

Vice Chancellor Moore noted that he had come today to talk about funding for the Division of Student Life. He noted that funding for these auxiliary services were driven largely by student fees. Approximately 2% funding comes from state dollars. The use of these funds is “more flexible” because they are not state dollars. Moore noted that he had done some work with the Division of Academic Affairs with regard to fund transfers for a few positions. Funds from Moore’s Division have been used to supplement some faculty positions. He noted that it takes a lot of money to run Student Life. The Division keeps a reserve in place to cover items such as repairs to roofs on the dormitories. Moore next introduced his associates: Susan Chapman, Stephanie Coleman, and Amy Waters.

Ms. Coleman next reviewed with the committee the budget for the “Big 5 Auxillaries-Non-State Funds”, an Excel document (see attachment) that had been sent to members electronically in advance of the meeting. The spreadsheet provided committee members with overall, Housing, Dining, Student Health, Recreational Services, and University Unions revenues and expenditures for 2002, 2003, 2004 and 2005 in terms of actual dollars and as percents of total budget entries. She noted that the auxillaries get together to plan out their budgets for the coming year, then the SGA votes on the allocations, and the request is submitted to the ECU Board of Trustees.

Professor Ferrell asked what did students pay in terms of fees? Coleman responded $1233.50 per student.

Professor Scott asked about the portion of fees paid by distance education students. Coleman responded that they paid some fees, such as the technology fee, but not others such as athletics and rec. center fees.

Professor House asked about part time students and the fees they paid. Bob Thompson responded that part time students registered as distance education students and paid similar fees.

Ms. Coleman continued to elaborate giving examples that fit the category “other revenue” on the spreadsheets.

Professor Ferrell asked about the funds used for “transfers” as shown on the spreadsheets. Chuck Hawkins noted that these “transfers” cover all overheads such as locksmiths, police, etc.
Professor House asked who owns the buildings (i.e. the dorms)? Moore responded that that “we do” (Housing Services)

Professor House asked if the university would have to pay rent for offices for faculty in buildings “owned by Housing Services? Mooreresponded that the university would have to pay rent to his Division for these offices.

Bob Thompson noted that Revenues and Expenditures did not “add up”. He asked if Student Life was “digging into their reserves?” Mooreresponded yes, that he had to pull from reserves to complete funding for “all areas.” Thompson noted then that there was another set of books which the committee was not shown that had the reserve figures on them.

Professor Christian asked a follow up question on the reserves: “What is there then?” Moore responded that Housing had for example $5-6 million in reserve funds, Rec. center has $1 million and University Unions and Student Health has similar amounts.

Professor Ferrell asked about the past use of fees for debt services with regard to dormitories. Were these fees part of rent paid by students? Hawkins responded that a portion of the rent was earmarked for debt service. Ferrell next noted that debt service fees for some older buildings had gone down and asked is rent fees had gone down? Hawkins responded that yes that had occurred in some cases, but that more debt had been taken on in other cases. Ferrell next asked about funded for upgrades to dormitories. He noted that in the past some dormitories on the ECU campus had been referred to as “high grade prisons.” Hawkins noted that housing debt remains pledged to specific bond issues. Moore noted that he is currently constructing the first new dormitory on the old Men’s South Campus (the hill) in thirty years.

Professor Rodriguez asked if the committee could have some expansion on the revenue issue and he noted that was an increase in fees and a decrease in income on the spreadsheet. Coleman responded that Professor Rodriguez ’s observation was correct and that revenue shortfalls were made up out of reserves. Chair Rigsby asked if this meant that the reserves would run out? Moore responded that he was required to keep a certain percent of revenues as reserves.

Professor Ferrell noted that Moore was audited by a number of groups such as ECU Internal Auditors, Student Life Auditors and State Auditors. Moore responded “Good Lord, yes!”

Moore next noted in concluding remarks that he was interested in having faculty reside in residence halls with the students in the future. He also noted that he had an “operations manual for everything they do.”

Chair Ferrell thanked Vice Chancellor Moore and his staff for coming and for their report to the committee. Moore and his staff then departed the meeting.

**Agenda Item #2** Report of Bob Thompson on Enrollment Growth and Plans for Faculty Offices.

Bob Thompson presented two documents to the Committee: “2005-07 Request for Enrollment Growth” and “Near-Term Plan for Faculty Offices-Comparison B”. He gave a brief introduction into how he models growth in his position. Changes were projected for 2005-2006 of $1,466,102 and for 2006-07 of $2,399,308 in terms of funding needed to accommodate this growth in students. It was noted that large number of graduate students were shifting from the campus funding model to the distance education model. He noted that ECU received 81% of all new UNC System D.E. funds this year. Professor Ferrell noted that this shift did not make good financial sense. Thompson noted that we are receiving less funding on the dollar as a result of this change. It was noted that many D.E. courses were taught by currently employed faculty in addition to their regular academic duties of teaching, research, service and patient care. Chair Rigsby stated that we might be having faculty teach more courses than is sound. She noted that this has implications for faculty workload issues.

Professor Ferrell asked if the Committee could have data that provides the cost per student under the D.E. and On-Campus funding models? Thompson will try to obtain these figures for the next meeting.
The Committee next discussed the need for additional faculty offices noted in the document referenced above which gives a running count of needed faculty office space for the years 2005-2009. It was noted on the document that “space shortfalls for existing faculty are not addressed” in these figures. Thompson noted that the document showed current planning for offices using a combination of renovations, transfers (to West Campus) and rented space. He noted that there was no funds allocated for new space for the East Campus after 2008. The formula he uses also does provide any space for administrative offices to support these new faculty.

Professor Ferrell asked if Bob Thompson could create a web site that would provide all faculty electronic access to these two documents. He asked Chair Rigsby if help in this regard?

The Committee did not set an agenda for the February 2004 meeting which is scheduled for February 17th, 2005.

Chair Ferrell noting the lateness of the hour adjourned the Committee meeting at 5:09 P.M.

Respectfully submitted,

Ralph Scott
Secretary, University Budget Committee

Link to handout from Vice Chancellor Garrie Moore – [Non State Funds](#)