

## MINUTES

### UNIVERSITY ADVISORY COUNCIL ON STRATEGIC BUDGETING AND PLANNING

September 24, 2009

PRESENT: Gilles Divoux, Erik Ervin, Kyrille Goldbeck, Muhammad Hajj, Dixon Hanna, Anne Zajac (for Bill Huckle), Hugh Latimer (for Scott Hurst), Ben Johnson, Lonnie Johnson, Patricia Lavender, Gary Long, Steve McMullin, Don Rimstidt, Dwight Shelton, Linda Tegarden, Tom Tucker, Joey Zakutney

ABSENT: Martin Daniel, Mark McNamee

#### 1. CALL TO ORDER

Mr. Dwight Shelton, Vice President for Finance and Chief Financial Officer, called the meeting to order at 3:00 p.m.

#### 2. APPROVAL OF THE AUGUST 27, 2009 MINUTES

Mr. Shelton announced that the minutes of the August 27, 2009 meeting have been distributed for electronic approval and, once approved, will be sent to University Council for posting on the web.

#### 3. OVERVIEW OF HOW THE UNIVERSITY ABSORBED GENERAL FUND REDUCTIONS OF \$42.1 MILLION IN ROUNDS 1-4

At the August 27 meeting of the Council, Mr. Shelton provided an overview of the status of the state budget; the University absorbed General Fund reductions of \$42.1 million from the first round of budget reductions in October 2007 through the fourth reduction which was effective July 1, 2009. At the September 24 meeting, Mr. Shelton provided a chart which demonstrated how the university has managed the budget reductions since October 2007 in both Agency 208 (University Division) and Agency 229 (Cooperative Extension/Agricultural Experiment Station Division).

#### 4. STATUS REPORT ON THE STATE BUDGET

Mr. Shelton shared with council members a spreadsheet which summarized the General Fund reductions announced in early September. State administration announced that state revenues would be nearly \$1.2 billion short of the approved 2009-10 state budget. Together with the \$300 million revenue shortfall in 2008-09, the total impact to the biennial budget is approximately \$1.5 billion. After using a roughly \$150 million balance included in the 2009 Appropriation Act, a \$1.35 billion shortfall remains to be addressed during the remainder of 2009-10. The state administration plans to meet with revenue forecasters in October and again in November to review revenue projections and incorporate any additional factors into the Executive Budget for the 2010-12 biennium to be published in mid December.

There being no further business, the meeting adjourned at 4:00 p.m.