

Drake University Senate Budget Committee

DATE: September 6, 2013
TO: Senate Budget Committee: Andrea Charlow, Klaus Bartschat, Renee Cramer, Debra De Laet, Wade Leuwerke, Keith Summerville
FROM: John Rozycki, chairperson
SUBJECT: Minutes of meeting of September 6, 2013, 11:00 a.m.

Attending: Andrea Charlow, Klaus Bartschat, Renee Cramer, Debra De Laet, and John Rozycki.
Not attending: Wade Leuwerke, Keith Summerville. Below are the main conclusions and action items.

Issue of Senate Budget Committee (SBC) redundancy

Given that the Budget Advisory Committee (BAC) was formed last year, the SBC briefly discussed the issue of redundancy. It concluded that the SBC is indeed not redundant. The charges of the two committees are different. The SBC has the unique charge of ensuring that the University's budget adequately serves the needs of the *academic unit*.

Has the BAC been formed? The SBC should have representation on that committee. The SBC is not opposed to having every SBC member being also a member of the BAC, but it is not necessary.

The SBC's role

The SBC is charged with monitoring the University budget and "gathering" budget information from the Office of Business and Finance. The purpose is to ensure that academic concerns are the central focus in Drake University's strategic planning. (See the SBC charge.)

From the charge, it is not clear what the SBC is to monitor or what information it should *gather*. The Committee must determine its information needs and arrange to have Business and Finance provide that information on an ongoing basis. While this might entail a line item budget, which the Committee once received, the SBC is in *no way interested in micromanaging the budget*.

We presume that there should be some analysis and evaluation of that information, the nature of which is yet to be determined. Comparative data might be available from The National Association of College and University Business Officers (NACUBO).

The SBC needs to make broad recommendations regarding the allocation of resources in relation to Drake's academic mission. This suggests that we need to formulate a process for doing such. The Committee recognizes that every allocation of resources entails an opportunity

cost. As such, even proposals from the faculty senate need to be evaluated at some point with respect to their resource implications.

Three to five year budget

Vice-President of Finance, Debbie Newsom, made a decision to adopt budgeting based on cash flow. The SBC acknowledges the need to construct a 3 – 5 year cash budget to coincide with our strategic plan. VP Newsom is supportive of this. While the SBC can have some input in the annual budgeting process, its greater impact on *Drake's academic mission* probably lies in its ability to influence the long-term budget, and use the long-term budget to evaluate the annual budget.

Action items

Determine if the BAC has been formed. If so, who is on that committee?	Rozycki
Invite VP Debbie Newsom to our next meeting to discuss the creation of a five-year budget and the role of the SBC in that endeavor.	Rozycki
Determine the best time or process for apprising the faculty senate of our progress.	De Laet
Next meeting: Friday, September 20, 2013 at 11:00 a.m. Location TBA.	SBC

Future agenda items

Define the SBC's charge more clearly. Determine an annual process for evaluating the annual and long-term budgets in terms of Drake's academic mission. Determine the process whereby the SBC can influence the long-term budget.

Determine and define how the SBC and the BAC can work together to best serve the University.

Is the University's endowment meeting our needs?

What else?