Minutes
Wednesday, May 6, 2020
8:15-9:50 am via Zoom

Present:

Absent:
E. Cantwell, S. Keim, J.P. Roczniak, M. Tatum, B. White

Observers:

Presenters:
Lisa Rulney, Senior Vice President for Business Affairs and Chief Financial Officer

Working Group Leaders: B. Brummund, J. Florian, S. Pawar, H. Rodrigues, N. Salazar K. Whisman,

Call to Order
Co-Chair Helm called the meeting to order at 8:17 am

Approval of the Minutes of April 1, 2020
The April 1, 2020 minutes were approved.

Discussion: Financial Sustainability Emergency Response Taskforce Updates: Lisa Rulney, Senior Vice President for Business Affairs and Chief Financial Officer and Working Group Leaders
Rulney and the working group leaders updated the committee members on the impacts of the Coronavirus on the logistics and financials connected to achieving the University’s mission. Rulney stated the groups are working on proactive plans to develop mitigation strategies and adapt the business model of the University for new opportunities. She gave an overview of the process by which members of each group make recommendations to the administration.

Capital Projects, Debt, and Investments Workgroup: Group lead, Jim Florian, updated the committee on efforts to evaluate opportunities related to capital projects, debt, and investments. Florian shared the process by which proposals have been generated by the group. He shared each current capital project stakeholder was asked if they wanted to continue their project. The group has identified $17 million in projects that can be delayed but may go forward in the future.
The group is also serving as an interim space committee for Senior Leadership to reimagine campus in response to COVID-19.

Members asked questions regarding projects that will not be delayed and were informed if a project had a signed contract it may cost more to defer the project instead of going forward. Projects that may increase revenue for the University will also go forward.

**Intercollegiate Athletics Workgroup:** Group lead, Kathy Whisman, provided information to the committee regarding the athletics budget and efforts to find opportunities to reduce spending and/or generate additional revenue. She shared the athletics budget will be significantly impacted by the COVID-19 crisis and the working group is developing infographics to describe the budget impacts of the crisis.

Members asked questions about the separation of the athletics budget from the rest of campus. Whisman informed the committee the athletics budget is fully integrated with the rest of campus but treated as an auxiliary unit that is balancing revenues and expenditures. Members also expressed concerns about coach’s salaries which appear to be unaffected by the furlough plan.

**New Opportunities Workgroup:** Group lead, Sangita Pawar, informed the committee about new opportunities identified. She updated SPBAC members about internal and external stakeholder surveys; F&A rates for industry sponsored projects; reconfiguration of public spaces and workspaces; building regional modeling of the pandemic; building a “smart campus” that incorporates student recruitment, retention, digital payments, utility tracking; and the possibility of using UA agriculture centers as research parks.

**Operational Efficiencies Workgroup:** Group lead, Nicole Salazar, informed the committee about actions taken by the work group including: implementation of the CARES Act to postpone payment of employer taxes; recommendation not to refund program fees and differential tuition. The working group reviewed areas of concern including: necessity of travel and travel expenses; necessity of facilities management/landscaping; paperless initiative; and a golf cart rideshare.

**Strategic Plan Investments Workgroup:** Group lead, Kathy Whisman, provided information to the committee regarding the evaluation and recommendation of opportunities to reduce spending. She stated the goals of the workgroup included minimizing impact to existing University employees employed by strategic initiatives; addressing unavoidable contractual costs; and investing in opportunities that have an immediate return on investment, high probability of success, and reduce the financial impact to the university resulting from the crisis. Whisman also spoke about the recommendation that strategic initiative restrict expansion of personnel and personnel expenditures in accordance with general workforce practices undertaken within the university.

**Students Workgroup:** Group lead, Barry Brummund, updated the committee on the current scope of the student workgroup including: actionable items for this spring/summer; net-tuition revenue; dependence on non-resident and international student tuition. Deliverables from the workgroup included: FY19 and FY20 net tuition revenue infographics; current curriculum infographics; student bill and cost of attendance analysis; and an infographic of current faculty. Additionally, the workgroup’s in progress work included: review of institutional teaching capacity and workloads and a listing of majors that need to be made online.

Members expressed concern that no graduate student representative is part of this workgroup.
Workforce Workgroup: Group lead, Helena Rodrigues, shared the recommendations from the Workforce workgroup including: slowdown/pause of recruitments, hiring, and job changes; delay of merit and increase pay program; an evaluation of minimum wage rate of pay (state v. federal); premium pay for non-exempt, critical employees; and furlough and pay reduction program models.

Committee members asked questions regarding the recommendation to cut pay for high earners instead of taking furlough days. Rodrigues indicated if high earners were to take furlough days in proportion to their income they would be taking an infeasible amount of time away from work. Members expressed concerns about what will happen to savings recaptured by the furlough program and expressed the need for clarity about how furloughs will work for faculty members.

Members expressed concerns that information and different messaging about the furlough program has been circulated that does not come from senior leadership or the taskforce workgroups.

Co-Chair Helm directed further questions to the workgroup leads for follow up.

Updates

Liesl Folks, Senior Vice President for Academic Affairs and Provost
Folks updated the committee on efforts to create a campus re-entry plan. A workgroup on the subject has been created with the first team primarily from Epidemiology and the College of Public Health. She indicated the next step will be developing guiding principles by activity type to ensure consistency across campus. She also outlined the “test, trace, treat” plans and medical guidance plans for anyone who will be on campus.

Lisa Rulney, Senior Vice President for Business Affairs
Rulney updated the committee regarding the upcoming ABOR meeting regarding tuition. UA will move forward with a flat base tuition for all (instead of a 2.2% increase) with a $2 million effect on the University’s bottom line.

Jessica Summers, Chair of the Faculty
Summers informed the committee about her ongoing with CFO Rulney on the workforce workgroup and efforts to bolster faculty participation. She updated the committee on Faculty Senate and Senate Executive Committee meetings over the summer session.

Adjournment
The meeting was adjourned at 9:50 am.