Cabinet Meeting Summary
June 4, 2008 Library 104

Attending: David Svaldi, Michael Mumper, Bruce Landis, Benita Brink, Mike Nicholson, Ken Marquez, Heather Heersink, Frank Novotny, Sandra Starnaman, Bill Mansheim, Teri McCartney, Mark Schonecker, Larry Joe Hunt (representing Larry Mortenson).

Guests: Tammy Lopez, Erik van de Boogaard

Meeting Summary

Meeting called to order by Mumper at 2:35.

First discussion item was about the ability of the Foundation to continue using large amounts of unrestricted funds to support the college. Tammy Lopez from the Foundation distributed two Tables for cabinet to review (these are attached to this summary). Bruce Landis then led the discussion.

Landis - Fiscal 08 fundraising is at all-time high, but unrestricted funds remain only a small part of the total fundraising effort.

Mansheim - there has been a steady decline in unrestricted dollars available to the Foundation to support the campus use over the last several years. That amount is down to about $700,000 for fiscal 08. The critical problem is that the Foundation, and the campus, are spending these unrestricted funds much faster than we are raising them.

Landis – the only reasonable solutions are to either cut spending of unrestricted funds or increase donations to fund.

Cuts are already being made – the annual Foundation contribution to the Ag-Business program has been reduced.

Landis – The Foundation budget is complex. The charts show the difficulty of solving problems through cuts. Much of the Foundations funds are in endowed scholarships and those cannot be cut.

Marquez – Do you have any recommendations on what actions we should take?

Heather – There is $190,000 available in the College’s reserve available for 09. But this includes the $100,000 the Foundation was slated to give to Ag-Business.

Mansheim – What is the deadline for a decision?
Landis – Decision must be part of final budget submitted to the Foundation by August 1.

Mansheim – There are other things to consider in making this decision. There will be funds available from the capital fee that begins in fall 08. A portion of these funds are set aside for scholarships. This is an additional source of revenue.

Mumper – 50% of those scholarship dollars are earmarked for graduate students. Very few of the Foundation’s scholarship dollars go to graduate students.

Mansheim - $183,000 has already been awarded by financial aid/athletics for 08-09. So we really can’t cut in those areas for next year. After that, however, everything needs to be on the table.

Mansheim – Could the Provost’s faculty development funds be cut?

Mumper - Yes, there are other ways to fund faculty development.

Svaldi – We should also examine how we fund ASC employee tuition waivers. This is an area where we spend a lot of Foundation funds.

Bill – How should be proceed. Should we solve this problem first and build a college budget that includes the reduced contributions from the Foundation or should we have a larger budget process which considers other requests for new spending?

Landis – We must cut $262,000 if we are going to balance the Foundations unrestricted budget.

Mansheim – Remember these are permanent cuts – we can’t just make one year adjustments. These problems will be worse next year.

Landis – We need to act this year. If we keep spending at the present rate, there will be no unrestricted funds at all for next year.

Novotny – Lets balance the Foundation budget first. It makes no sense to fund new things this year and then be forced to cut them next year.

Landis – Foundation will prepare their budget for 09-10 in February so the college knows what contributions it can count on from the Foundation.

Marquez – What about the non-need work-study. How will those positions be funded?

Brink – We have lots of need for those positions in science. There would be problems if they were eliminated.

Mike Nicholson proposed a solution - $128,000 is really all that the Foundation will be able to contribute. So we could –
Cut $20,000 from staff tuition waivers (move funding source to general fund)
Cut faculty development fund by $8,000
Reduce Foundation contribution to financial aid by $40,000
Add $90,000 from College reserve

We could then use any extra cash available at the end of the year to further cut the Foundation’s contribution.

**This recommendation was moved by Mansheim and seconded by Novotny. It was then unanimously approved by the cabinet.**

Landis – This is the right thing to do. We are doing things to try to increase unrestricted giving.

Lopez – This problem has a long history. It did not just start this year. It goes back to when President Halgren began adding development staff.

Mansheim – we need to get to where we are putting new funds in endowment and then spending the earnings from the endowment.

Mumper – the changes need to be communicated to faculty. The campus thinks we are in a stable, even positive, financial condition. They will be surprised to find that we are in for another round of budget cuts.

Discussion turned to Facilities improvements. Erik Van De Boogard leads this discussion.

van de Boogaard presents handouts to the Cabinet (attached). Cabinet begins reviewing the project priorities developed by the facilities planning committee.

Academic Priorities of the Facilities planning committee were summarized by Mumper

The top priorities are the renovations of the ES and Music Building. We want to save as much as possible to do these renovations right. But those projects cannot start for more than a year. We waned to do something else that would be finished by next year. We decided on adding an Information Commons on the second floor of the library.

van de Boogaard – discusses the proposed renovations to the football field

We want to add a new artificial turf football field this summer. This can be done in time for the first football game. This is part of the larger project to renovate the entire stadium area and make it a multi-use facility. This will save millions of gallons of water. Field is guaranteed for 8 years.
van de Boogaard then reviewed the monthly costs for moving these projects forward. We are going to ask BOT to approve spending from reserve to get these projects started this summer and then pay back reserve once bond financing is secured in the fall.

After a discussion – Mumper moved to accept the recommendations of the facilities planning committee. Motion seconded by Mansheim. Motion was unanimously approved by cabinet

Discussion continued – what logo will be on the 50 yard line? Still needs to be decided. There should be a role for student athletes. Must be decided by July 1.

This is Sandy’s last cabinet meeting. We will all miss her.

Svaldi declared all Friday’s this summer as Jean’s days (with supervisors approval).

Meeting adjourned at 4:05 pm.