Summary of
Cabinet Meeting October 16, 2008

Attending:  Bill Mansheim, Benita Brink, Heather Heersink, Don Johnston, Tony Laker, Ken Marquez, Larry Mortensen, Michael Mumper, Frank Novotny, Tracy Rodgers, Mark Schoenecker, David Svaldi, Erik van de Boogaard, Diana Wenzel.
Guests:  Joel Korngut, Phil Schroeder, James Trujillo.

Meeting called to order 2:35 pm

Mansheim asked for approval of the summary of the previous meeting.  Several cabinet members expressed concerns that they had not received the meeting summary. It was not clear that the summary had been sent to everyone. The motion to approve the summary of the last meeting was tabled and the summary will be sent out again.

Mansheim asked to adjust the agenda to discuss work study issues. Phil Schroeder was asked to review the current state of the work study budget. Schroeder explained that if each unit spent everything in their allocations, the work study budget would be overspent by $60,000.

After some discussion it was decided that a complete review of the work study allocations was necessary, but that this was not an appropriate use of the Cabinet’s time. Mumper was asked to assemble, and convene a tiger team to decide how to proceed with reductions in work study spending. Mumper asked for volunteers for the team, and promised to bring a recommendation back to cabinet soon.

Stephanie Chichester then joined the meeting by phone to discuss the state of the bond market, and review the possibilities of Adams State securing the funds necessary for capital construction in the bond market.

Chichester described the bond market as “crazy” and explained that the tax exempt municipal bond market had been almost completely frozen since September 15. No schools have been able to secure funds for projects during this past month.

This freezing of credit has driven interest rates up. This has made Adams State’s plans to refinance existing debt unworkable until those rates go down. No one knows when (if) that will happen.

These difficulties are also creating difficulties for the State of Colorado as they attempt to sell the COPs. Rates have jumped from 4% last month to 6% - 7% today. If things remain the same, the State will not be able to sell the COPs.

Chichester noted that several historic relationships had been decoupled. For example, the LIBOR rates are dropping, but there has been no change in state bond rates.
Mansheim recommended that we get everything ready to go in case the situation changes, and interest rates drop to the point that we can go out and get the necessary funds.

After some lamenting of how much bad news we were facing, the phone call ended.

Heersink then led a discussion of the budget process

This will be a very difficult budget year and there will be little new money. If we want to undertake new initiatives, we need to make cuts. This will require us to set priorities.

Who should set priorities Cabinet or Executive Council? There are problems with each.

Heersink suggested that Cabinet was the appropriate place to set campus priorities. This should be done even when there is no new money to fund additional initiatives. Priorities identify things we need to fund through other sources.

Cabinet agreed that budget decisions, except those involving individual salaries, should be reviewed in cabinet.

Fort Lewis has a process that allows units to roll forward an unspent budget from one year to next. Such flexibility might help in tight budget years.

There was then a discussion of the proper timeline for this year’s budget process. It is already too late to meet the prescribed dates.

It was decided to go forward with the currently established budget process with a two week delay.

   Budget requests should be submitted to the appropriate cabinet officer by October 29.

   Cabinet officers should submit proposals and rankings to the budget office by November 15.

   The Campus budget meeting happens first week of December

There was then a discussion of how budget requests should be submitted. It was agreed that all submissions must be electronic.

After discussion it was also decided that the budget process should also apply to all auxiliary budget requests. The appropriate funding source should be noted on all budget requests.

All requests for additional funds beyond ordinary operating budgets should go through Cabinet.
van de Boogaard then lead a discussion of the North Campus Master Plan
He showed Cabinet the drawings of potential changes to the north campus. These same
charts were shown to Trustees and City Council at the last BOT meeting.

The objectives of these changes are to make the north campus more attractive and
pedestrian friendly.

An RFQ has been issued to conduct the north campus planning. A process is in place
through the Campus Renewal Committee to select a firm.

Erik van de Boogaard will keep Cabinet informed of progress.

President Svaldi briefed Cabinet about a visit from University of Colorado President
Benson. He had meet with Svaldi, Mansheim, and Trustee Darricades. President Benson
made the case that higher education institutions should not compete with each other
directly but work together to expand the pie.

Benson also explained that CU was already planning for state budget cuts this year.

President Svaldi recommended that we look for funds to reallocate to new priorities since
there will not be new money.

It was noted that DU has recently put a hiring freeze in place.

Ken Marquez described the new RESPECT program run by GAB. A RESPECT wall
will be built on the south campus across from the ES Building. Participants in the
program will wear provocative t-shirts on campus to raise awareness of stereotypes.

Mike Nicholson then explained why we need to hire a grant writer to help us increase
revenue and take advantage of opportunities.

Nicholson explained that TSJC and Otero had both received Title V grants in the most
recent round of funding.

Title V will have a new round of funding in spring or summer. There could be as much
as $100 million available.

Nicholson argued that there are many opportunities beyond the Title V program and that
we need to do something to generate more revenue.

He plans to submit a budget proposal for a grant writer.

Nicholson also gave a brief note that we are experiencing issues with our Oracle license.
This could have budget implications. He will give cabinet more details as they are
available.
Ken Marquez showed us a new phone book. There was brief discussion of the merits of changing phone books. Ken will provide more info on how it has worked at Western State at a future cabinet meeting.

Meeting was adjourned at 4:10 pm.