



Budget Committee Meeting Minutes May 13, 2013

In attendance: Brent Cooper, Martha Johnson, Rick Jordan, Dr. Ed Hughes, Mike Baker, Jamie Younger

Chairman Jordan called the meeting to order at 4:47pm.

Dr. Hughes discussed the format and the general outline of the FY14 budget documents. During this time, he discussed the approach and involvement of the President's Leadership Team. He outlined how we agreed on an aggressive budget approach for FY13 and the enrollment goals weren't realized. Since revenue fell short of budget, this resulted in a corresponding decline in fund balance during FY13. Dr. Hughes went on to explain how we are moving forward with a conservative budgeting approach for FY14. The President's Leadership Team researched current enrollment trends and predicted a 1.2% enrollment increase, 120 FTE.

Dr. Hughes explained that veterans, workforce solutions, and online enrollment make up the 120FTE increase. Chair Jordan asked if he felt the enrollment erosion has stopped. Dr. Hughes explained that our penetration was at least 1% below benchmark institutions and that our region supported growth.

Mike reviewed the remaining FY13 outcomes and FY14 budget assumptions. He discussed the revenue and expenditure comparison over a five-year period. There was a discussion regarding the continued declining state appropriation. Mr. Cooper raised the concern of a need to increase the state support for the northern Kentucky region. He then asked if the federal sequester had an impact on the colleges operating budget. Dr. Hughes explained that there was minimum impact on the budget and how the time limitations of PELL (SAP) have impacted the college.

Dr. Hughes outlined the steps taken in order to balance the FY14 budget. A college-wide 1.5% budget reduction and a 2% budget reduction for each VP individually. Chair Jordan and Dr. Hughes discussed the importance of taking the cuts at the beginning of the year instead of the end. Chair Jordan asked if any of the operating funds were being utilized for the capital project at Covington. Dr. Hughes explained that none of these funds were earmarked for Covington and the move wouldn't take effect until the beginning of FY15. The committee agreed for the need to add the following assumption: "The operating budget does not contain any new operating funds for the Urban Campus because no new renovated space will be occupied in the 2013-14 academic year.

Mr. Cooper expressed a concern for the need for increased marketing/advertising. Ms. Johnson agreed how the community didn't understand our accreditation, and we need to get the message out to the public.

Motion to accept the proposed Revenue and Expenditure Plan for 2013-14 with the added assumption and recommend it to the full Board was by Mr. Cooper and seconded by Ms.

Johnson. Chair Jordan called for any last comments and none were made. Vote was unanimous to accept the budget as proposed.

Submitted by Dr. G. Edward Hughes, recording secretary.

G. Edward Hughes

Date