



Strategic Planning and Budget Advisory Committee

Wednesday, February 02, 2022

8:15 am - 9:50 am

AGENDA

1. Call to Order
2. Presentation and Discussion: Planning Office –Benchmarking Expenditure#1
(Presenter: Barry Brummund, Co-chair SPBAC)
3. Presentation and Discussion: UAGC Status Update
(Presenters: Liesl Folks, Senior Vice President for Academic Affairs and Provost; Gail Burd, Senior Vice Provost for Academic Affairs, Teaching, and Learning; Jon Dudas, Senior Vice President and Secretary of the University)
4. Presentation and Discussion: AIB Update
(Presenter: Garth Perry, Vice President/Chief Budget Officer)
5. Senior Leadership Updates
6. Adjournment

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Minutes

Wednesday, February 2, 2022
8:15-9:50am **via Zoom**

- Present: B. Brummund (**Co-Chair**), S. Helm (**Co-Chair**), M. Abecassis, L. Benson, B. Berrellez, C. Bourget, E. Cheu, S. Colina, J. Florian, L. Folks, D. Hahn, G. Heileman, L. Hudson, J. Hunter, I. Moore, S. Moore, G. Perry, C. Ramirez, L. Rankin, L. Rulney, S. Sen, R. Stephan, J. Summers, M. Taylor, S. Troutman, K. Van Renterghem, N. Vega
- Absent: E. Cantwell, J. Duran, J. Jones, A. Miller, H. Rodrigues, J.P. Roczniak
- Guests/Observers: K. Bonine, J. Dudas, C. Henderson, M. Hingle, L. Isley, H. Jensen, J. O'Neil, S. Pawar, A. Romero, K. Urquidez
- Presenters: Barry Brummund, Co-chair SPBAC
Liesl Folks, Provost and Senior Vice President for Academic Affairs
Gail Burd, Senior Vice Provost for Academic Affairs, Teaching and Learning,
Jon Dudas, Senior Vice President and Secretary of the University

Call to Order

Co-Chair Helm called the meeting to order at 8:17 a.m.

Approval of the Minutes of January 19, 2022

The minutes of January 19, 2022 will be approved next time.

Presentation and Discussion: Planning Office - Benchmarking Expenditure #1 **(Presenter: Barry Brummund, Co-Chair SPBAC)**

Co-Chair Brummund gave a presentation on a benchmarking study comparing the top 79 public institutions that have similar reporting mechanisms. Out of all of the institutions, UArizona is the only one that has three specific dimensions - is a land grant institution, confers MD degrees and is an HSI (Hispanic-Serving Institute). Currently UArizona has 43,600 students, spends \$760.9 million in research and has an NTR (Net Tuition Revenue) of \$760 per SCH (student credit hours). In order to look at the expenditure benchmarking for comparison, there were two questions asked: 1) Is the institution a part of a larger system? 2) Does the institution have branch campuses? Funding equals state appropriations plus net tuition and fee revenue. Funding comes from the federal government, state governments, parents and students. UArizona status has changed from being more publicly funded to more tuition funded.

UArizona has two different ways of grouping and looking at expenditures, using natural classifications and functional classifications. UArizona's expenditures for FY '20 was \$2.29

billion. This included \$1,359.6 million for personnel expenditures, \$603.2 million for operational expenditures and \$313.8 million for capital expenditures.

Co-Chair Brummund asked for questions/comments. President Robbins thanked the team for their work on the data set. He expressed that he noticed a skewing of data in a cluster to the right; this most likely represents institutions that have their own hospital system. President Robbins suggested taking out those who own and operate their own hospitals to get a better representation. Co-Chair Brummund agreed and explained that the ADE (Arizona Department of Education) asks for hospital related expenses, but it is not a perfect method because operating a hospital includes indirect expenditures. The team is trying to separate out and remove most of that effect, yet it is impossible to remove it completely. A committee member asked if any institutions have multiple medical schools like UArizona does; COM-Tucson and COM-Phoenix. President Robbins replied that Rutgers is the only other peer institution that has two medical schools. He expressed that medical schools are expensive to run; if UArizona did not have medical schools to run, there would be more funding for the rest of the campus.

Presentation and Discussion: UAGC Status Update

(Presenters: Liesl Folks, Senior Vice President for Academic Affairs and Provost; Gail Burd, Senior Vice Provost for Academic Affairs, Teaching, and Learning; Jon Dudas, Senior Vice President and Secretary of the University)

Co-Chair Helm explained that the intention for this update is to see what UArizona's current situation is and how it came to be. Guest Burd explained that Jon Dudas was able to pull transcripts from the lawsuit against Zovio; those will be available in Box for SPBAC members. President Robbins explained that the leadership saw this as an opportunity for UArizona to serve students (about 35,000) that they currently weren't serving. The affiliation agreement between UArizona and UAGC was changed to integrate those students into UArizona; this will take 18-24 months. There are multiple options that UArizona has currently - to cut losses and allow UAGC to fail, full integration immediately, or having branch campuses. Co-Chair Helm asked about structuring input from constituents on campus so that a wide variety of voices are heard. President Robbins suggested having a separate meeting for faculty to give input since there is not enough time during faculty senate or SPBAC meetings. A committee member asked about possible conflict of interest for Guest Burd since she is the person who is going to be in charge of the accreditation. Guest Burd answered that her fiduciary duty is to UArizona and UAGC; she has consulted lawyers and will recuse herself if there is any conflict of interest found. A committee member asked about next steps. Provost Folks explained that they are currently in the information-gathering phase, and they will come back to SPBAC and the Faculty Senate with information and decision points.

Co-Chair Brummund explained that there are more SPBAC meetings that will include updates about UAGC.

Senior Leadership Updates

Robert Robbins, President

President Robbins explained that discussion of the budget is very important, especially as it gets to the end of the fiscal year. Pandemic numbers are looking better, and the number of hospitalized are decreasing slowly. President Robbins has had inquiries about relaxing mitigation policies on campus; they will be carried on until at least the end of the spring semester '22.

Liesl Folks, Senior Vice President for Academic Affairs and Provost

Provost Folks explained that they are starting to plan ahead for summer in terms of pandemic planning. She expressed that her team is looking at the numbers and time will tell if restrictions can be rescinded for summertime.

Steven Moore, Senior Vice President and Chief Marketing and Communications Officer

Senior VP Moore talked about South by Southwest, which will be held from March 9 - March 11, 2022. There will be five colleges involved, with 27 speakers and interactive displays. There will be I Dream in widescreen movies at night and alumni to serve as guides.

Lisa Rulney, Senior Vice President and Chief Financial Officer

CFO Rulney explained that UAGC was guaranteed a minimum of \$225 million in net positive revenue over 15 years, including \$37.5 million in the first year.

Adjournment

With nothing further, the meeting was adjourned at 9:52 a.m.