



**CAMPUS BUDGET AND PLANNING COMMITTEE MEETING**  
**Student Union Building, Room 321 at 4:00pm**  
**October 31, 2018**

**AGENDA**

- A. Call to Order
- B. Roll Call
- C. Approval of Agenda
- D. Approval of Minutes - April 2, 2018
- E. Introduction of New Members (Budget Director and New Members)
- F. Overview - Duties and Responsibilities of the Committee and Budget Process
- G. FY19 Budget Overview and Index of Programs
- H. Fiscal Updates for Current Year (VPFA Baca)
- I. FY20 Budget Process Updates (VPFA Baca and Budget Director Gonzales)
- J. HLC Focus Visit Updates
- K. Items for Next Meeting
- L. Persons Wishing to Address the Committee
- M. Next Meeting
- N. Adjournment

**MINUTES OF THE CAMPUS BUDGET AND PLANNING COMMITTEE MEETING HELD ON APRIL 2, 2018 AT 10:00AM IN THE STUDENT UNION BUILDING, ROOM 321.**

**Committee Members Present:** Dr. Jesus Rivas (via zoom), Robert Anaya, Rebekah Peoble, Victoria Evans, Dr. Denise Montoya, Dr. Elaine Rodriquez, Leonardo Garcia, Max Baca, and Yvonne Quintana.

**Committee Members Absent:** Yvette Wilkes

**Others Present:** Dr. Brandon Kempner

**Approval of the Agenda**

Dr. Denise Montoya made a motion to approve the agenda as presented. Robert Anaya seconded the motion. Motion carried.

**Approval of Minutes - September 28, 2017**

Victoria Evans made a motion to accept the minutes of September 28, 2017 as presented. Dr. Denise Montoya seconded the motion. Motion carried.

**Recognition of New Members**

Max Baca introduced Dr. Elaine Rodriquez to the Committee. Dr. Rodriquez is a faculty member in the History and Political Science Department and is serving as the Committee Representative for faculty.

**Introduction of Budget Director Stephanie Gonzales**

Max Baca introduced Stephanie Gonzales as the new budget director. Stephanie Gonzales shared that she has worked as an auditor, has her CPA and worked at Thornburg Investments in Santa Fe for the last 13 years. She is married and has two sons.

**Tuition and Fees**

Max Baca indicated that he provided the Board of Regents with the tuition and fees presentation at their March 1st meeting. The Board requested more feedback regarding tuition and fees and therefore the second presentation was given to the Regents at their March 15th meeting as an action item (see Attachment A). As Mr. Baca went through the individual slides, he explained that the Pell grant funds had decreased immensely and would be researching that more. Another item that was discussed was the online and Centers Tuition Only Rate. Mr. Robert Anaya asked why the on-line and Centers tuition only rate increases were necessary. Mr. Baca mentioned that a lot of the universities are going to this model of on-line programs. He also indicated that these rates are for both in-state and out-of-state rates only. Dr. Rodriquez shared that this was a good idea in theory but was concerned with the application and that it would hurt the enrollment on campus. Max Baca stated that this on-line program is a rate generator and a different strategy and would help off-set costs at the main campus. Rebekah Peoble expressed concern that there isn't enough student participation or transparency in the process of requesting tuition and fees increases. Mr. Baca replied that he had presented this information to the Student Senate and the Student Senate President was given an opportunity to provide feedback. He indicated that she was okay with what was presented even though Student Senate did not recommend the tuition and fees increases. Mr. Leonardo Garcia expressed concern about the tuition increase of 12% for out-of-state tuition and felt that the out-of-state tuition would carry the university. Mr. Baca indicated that the 12% was comparable to other peer universities. Mr. Garcia also expressed frustration that there is no clear clarification on the alumni tuition waiver.

### **State Appropriations**

Max Baca presented the Committee with information provided to the Legislators at the 2018 Legislative Session (see Attachment B). He also stated that he was disappointed that the Governor vetoed \$100K for the Native American Center; \$132K for motor pool replacement vehicles; and \$100K for the track. He did indicate that we did get a little more money in I&G, Athletics, Advanced Placement and Forest and Watershed Institute. Dr. Denise Montoya was part of the legislative process this year and stated that she felt it was successful based on the funding NMHU received and it was a good experience. She also indicated that Max Baca is very dedicated to the legislative process and works diligently as a lobbyist for Highlands.

### **Fiscal Stability Policy**

The Fiscal Stability Policy was provided to the Committee (see Attachment C). The Board of Regents approved the policy at their March 15, 2018 meeting. The purpose of the policy is to establish and build the University's reserve fund which is necessary to meet one of HLC's concerns. The University will be more transparent regarding quarterly reports and audit findings and will be providing an action plan to the Board of Regents.

### **Higher Learning Commission (HLC) Update - Dr. Brandon Kempner**

Dr. Brandon Kempner reported that the Institutional Actions Council and Site Visit Team have provided a recommendation for Highlands University to be off probation. The HLC will be meeting in July to determine the final outcome. Dr. Kempner provided the four areas of concern regarding the finance section which include: 1) reduction in reliance of state funds needed to balance the university's budget; 2) stabilization of growth in student enrollment through identification of a clear strategy linked to metric-driven recruitment and student persistence goals; 3) clean independent audits of NMHU, the Foundation and Isotopes that does not yield any findings; a minimum there should be no repeat findings; and, 4) continued year-end financial report revenue and expense actuals that reflect net neutral or yield a surplus. These areas of concern will be addressed continuously.

### **Five Year Capital Plan - Sylvia Baca**

Sylvia Baca presented the Board with the Five Year Capital Plan for Highlands (see Attachment D). Ms. Baca indicated that this process will be done on an annual basis as per the HLC and it also has to be approved by the Higher Education Department (HED). HED will either endorse it, revise it or deny the plan. Their recommendations on funding are based on the enrollment per building, wear and tear of the building, safety and mechanical issues, graduation rates on campus, number of students using the buildings, etc. She stressed that student population drives the funding. The Five Year Capital Plan will go before the Board of Regents on April 5 for approval.

### **FY19 Budget Changes**

Max Baca reported that the University will clean up the positive balances. Mr. Leonardo Garcia asked if the University would consider early retirement packages. Mr. Baca stated that they have reviewed that; however, due to insufficient funds available, it would be an insult to give staff that have been here 20+ years such a small amount.

### **Persons Wishing to Address the Committee**

Mr. Robert Anaya expressed his gratitude that Dr. Sam Minner afforded the departments with work study positions and that has offset his staffing requirements at the Santa Fe Center.

### **Suggested Items for Next Meeting**

There were no suggested items presented.

### **Adjournment**

Mr. Robert Anaya made a motion to adjourn the meeting. Dr. Elaine Rodriquez seconded the motion. Motion carried and the meeting was adjourned at 11:45am.



**CAMPUS BUDGET AND PLANNING COMMITTEE  
FISCAL YEAR 2018-2019**

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## Campus Budget and Planning Committee

### Charge, Duties and Responsibilities

The Campus Budget and Planning Committee shall provide advice to the NMHU's executive leadership team on short and long-term budget and campus improvements. The Campus Planning Committee's duties and responsibilities shall include the following:

1. Serve as the primary contributors on updates to the budget, capital planning, and campus master plan;
2. Serve on various qualification-based Request for Proposals (RFPs) for any professional services contract on any capital projects or major initiatives;
3. Serve on standing administrative, faculty, staff or student financial committees;
4. Review, recommend, and provide revised policies as necessary related to budget and capital planning;
5. Meetings must be recorded and minutes on action(s) taken must be approved by the next scheduled meeting and must be published on NMHU's website; and
6. Members shall be appointed for a 3 year period with stagnating terms, no more than 2 student appointments per year with the exception of student membership. These appointments will be for (1) year only.

### Membership

Membership of the committee should be seven to nine (7 to 9). This membership should consist of a blend of administration, faculty, staff, students, and center leadership. Membership should be: Two (2) administration – appointed by the president; Two (2) faculty – selected by faculty senate [(1) from faculty ranks and (1) from the faculty bargaining unit]; Two (2) staff – selected by staff senate [(1) from staff ranks and (1) from the staff bargaining unit]; Two (2) student body representatives – selected by student senate [(1) undergraduate student and (1) graduate student]; and One (1) center leadership member – appointed by the president. The president shall appoint the chair of the committee. Other members may be appointed by the president for specific initiatives.

### Meetings

Chair shall hold at least (1) meeting each quarter and any special meetings as needed. All meeting minutes and actions taken must be approved by the committee at the next scheduled meeting and must be published on NMHU's website.

# INDEX OF PROGRAMS

ITEM F

Program	Description	Budget Exhibit	Revenue Sources
100	Instruction	10 I&G	Tuition and Fees & State Appropriations
110	Academic Support	11 I&G	Tuition and Fees & State Appropriations
120	Student Services	12 I&G	Tuition and Fees & State Appropriations
130	Institutional Support	13 I&G	Tuition and Fees & State Appropriations
140	Operation & Maintenance of Plant	14 I&G	Tuition and Fees & State Appropriations
150	Student Social Cultural Development	15	Student mandatory Fees
160	Research	16	Federal, State, and Private funding
170	Public Service	17	Federal, State, and Private funding
180	Internal Services	18	Charge back to departmental budget
190	Student Aid, Grants & Stipends	19	Federal, State, and Private funding
200	Auxiliary Enterprises	20	Self sustaining funding
210	Athletics	21	State appropriation, fees, and funding raising
300	Capital Outlay	I	State appropriation, private, and fund balances
310	Building / Equipment Renewal & Replacement	II	State appropriation via Transfers
320	Debt Service	III	Student fees and fund balances
330	Investment of Plant		

# INDEX OF PROGRAMS

ITEM F

+ Revenue per Program
Tuition and Fees & State Appropriations
Student mandatory Fees
Federal, State, and Private funding
+ Beginning Balances per Program
<b>= Total Revenues per Program</b>
Less Expenditures per program
Transfers
Charge back to departmental budget
<b>= Ending Balances per Program *</b>
* HED request 3 to 5 % fund Balance for I&G



9.  
20.  
2018

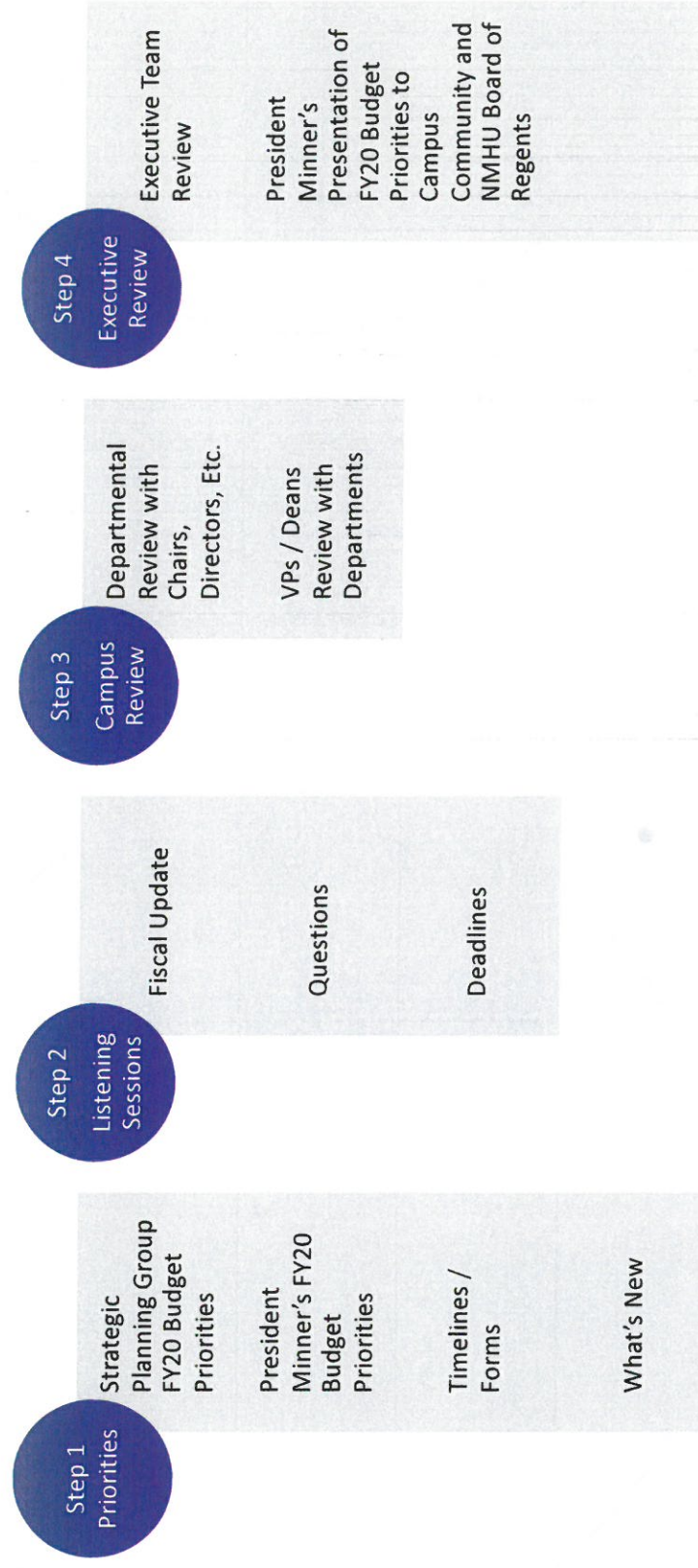
# FY2020

## Budget Listening Session

By Max Baca,  
VP for Finance and Admin



# Budget Process Overview



# What's New This Year....

3

To facilitate a continuing process improvement in 2019-2020, the following steps will continue to be implemented, replacing the hearing with the Budget Director and VPFA feedback step.

- All Deans or VPs are to provide explicit feedback, including but not limited to their list of prioritizations, to the departments chairs and/or unit heads. This feedback shall be in written form to the chair/unit head.
- The Deans and VPs will hold a meeting with the chair/heads of their respective units to discuss their prioritization list.
- The chair/head may appeal a prioritization to the Provost or appropriate VP by providing a written explanation, with the introduction of new evidence not considered by the Dean, and with an indication of where they think their priority should appear on the Dean's list. The Provost or VP shall respond with a simple Yes or No to the appeal, following the process established last year.
- New Budget Director – Mrs. Stephanie Gonzales
- New IR Director – Dr. Lee Allard

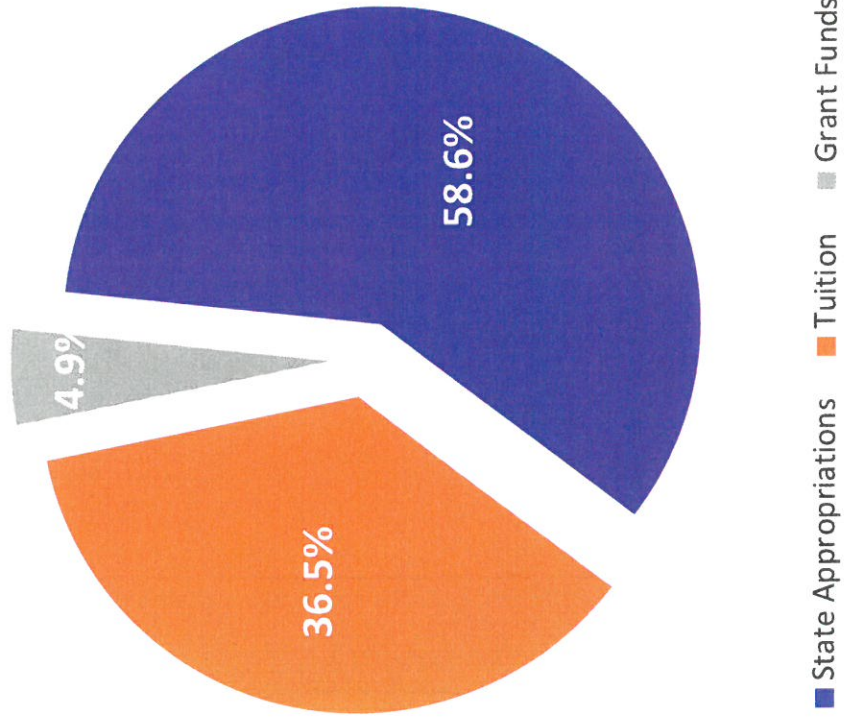




## Fiscal Update / Outlook







## This Year's (FY19) Budget

<u>Revenue Source</u>	<u>Dollars</u>	<u>Difference from FY18</u>
State Appropriations	\$27,129,170	\$912,410
Tuition	\$16,982,000	\$1,637,850
Grant Funds	\$2,254,959	\$994,326
	<u>\$46,366,129</u>	

## This Year's Data – Great News!

6

FY 2020 BUDGET

- New funding at State level due to oil/gas extracts over \$1,169,000,000 dollars\*
- New record amount of state appropriations over \$7.5B
- New record amount of reserves \$2.164B nearly 34.2%
- Council of University Presidents is requesting a 8% increase in new money to the funding formula and 5% employee compensation
- NMHU requested over \$16.2 million dollars

\* LFC, DFA, and TRD 2018 August's Consensus Revenue Update and Forecast



# This Year's Enrollment Data

FY 2020 BUDGET

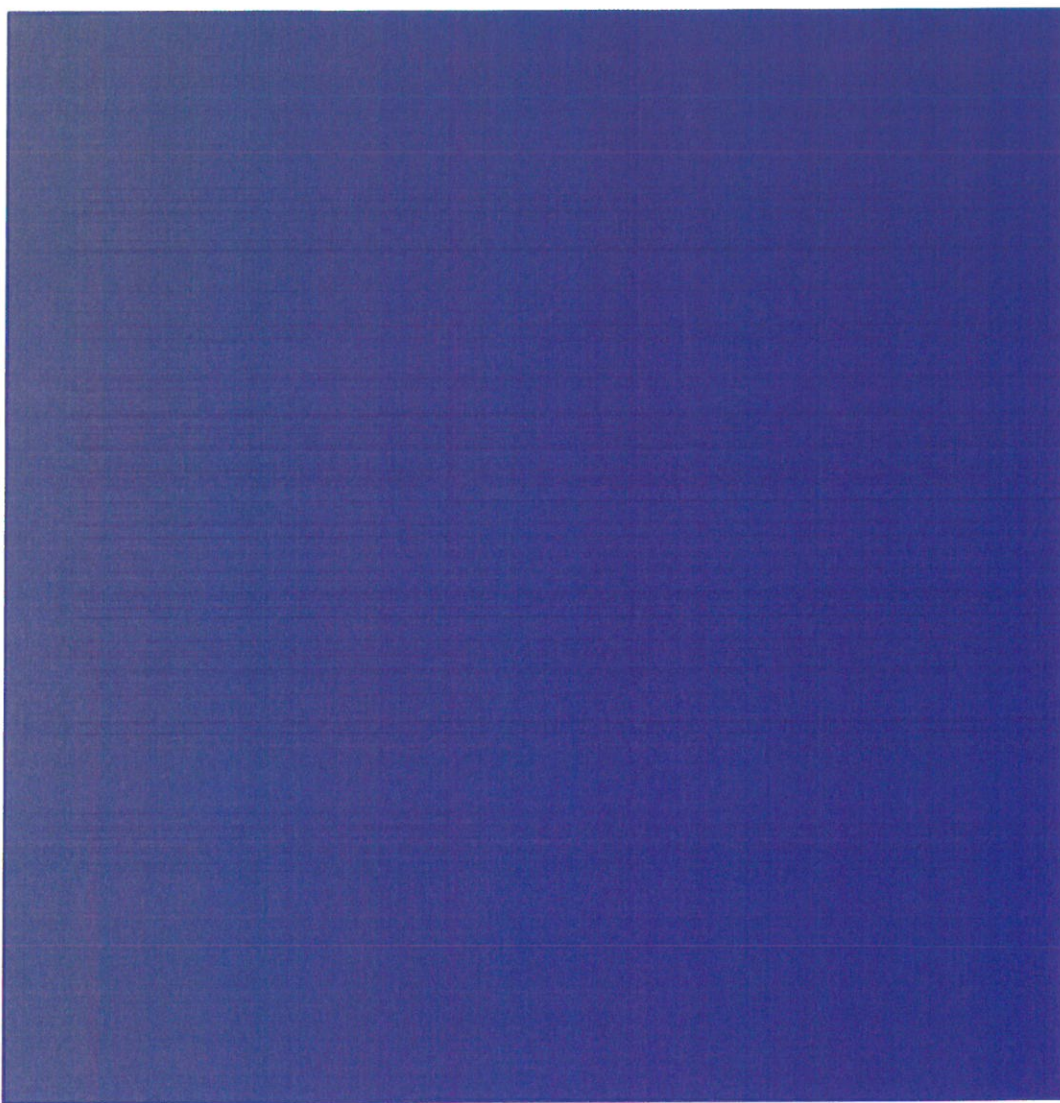
	Headcount		%	Student Credit Hours		%
	2018	2019		2018	2019	
Overall	3,284	3,181	(3.2%)	34,013	32,276	(3.9%)
Main Campus	1,875	1,756	(6.8%)	22,857	21,039	(8.6%)
Centers	1,409	1,425	1.1%	11,156	11,697	4.6%







## Fiscal Year 2020 Budget Priorities





## President Minner's FY20 Priorities:

1. Fund structures and processes necessary to maintain institutional accreditation.
  - a) Objective: Successful Focused Visit in 2020 and reaffirmation of accreditation with no concerns, sanctions, etc. in 2022.
2. Improve employee compensation.
  - a) Objective: Achieve median faculty compensation among peers by 2022. Achieve "living wage" for all NMHU employees by 2022.
3. Add resources, as possible, to support enrollment growth.
  - a) Objective: 4500 headcount by 2022.
4. Add resources, as possible, to support improved retention.
  - a) Objective: Achieve average retention rates for peer group of open admission institutions, HSIs, etc.)



## President Minner's FY20 Priorities Cont:

10

5. Identify sources of revenue to fund the various issues (below):
  - a) Residential Facilities
    - i. Objective: Renovate residential facilities in anticipation of improved enrollment.
  - b) Track
    - i. Objective: Replace track.
  - c) Golf Course
    - i. Achieve budget neutrality at the NMHU golf course.
  - d) Center Campuses
    - i. Reduce overall institutional footprint without decreasing enrollment.
6. Improve performance of NMHU Foundation
  - a) Objective: Accrue \$2M annually and achieve self-sufficiency by 2022.



# Strategic Planning Cmts 's FY20 Priorities:

11

## I. Compliance and Regulatory

1. Fire and safety
2. Accreditation Visits
3. Faculty Lines Governed by Accrediting Bodies (faculty-student ratios required)
  - a) Social Work
  - b) Counseling
  - c) Nursing

## II. Sustainability

1. Marketing (for improved recruitment)
2. Faculty Lines (for growth programs)
  - a) Social Work
  - b) C&I
  - c) Nursing
  - d) ESS
3. Technology & Software
  - a) Computer upgrades (GIS, Library, etc.)
  - b) Data Warehouse
  - c) Analytic solutions
  - d) Automated workflow



# Strategic Planning Cmts 's FY20 Priorities:

12

## II. Sustainability - Continued

1. Professional Development Initiatives
2. Staff salaries
3. Maintenance of facilities
4. Computer & Lab Equipment Upgrades to meet demands
5. Student workshops to promote student well-being

## III. New Initiatives

1. Online initiatives
2. Program innovations
3. Technology for Improved Process
  - a) Ad Astra
  - b) Watermark
  - c) Transfer Evaluation System
  - d) Travel and Expense Management Program



# Strategic Planning Cmts 's FY20 Priorities:

13

## III. New Initiatives – Continued

4. University-wide Compensation (aligning salaries with similar schools)
5. Assessment Software (including Outcomes Assessment)
6. Faculty Lines for Programs with Potential Growth
  - a) Psychology
  - b) Criminal Justice
7. Signage
8. "Greenhouse"
  - a) Using cooperative extension/extension agent
  - b) Sustainable growth potential in biology, forestry, chemistry, etc.
  - c) Community Garden
9. Rock Wall (outdoor recreation)





Timelines

**IMPORTANT**

**INFORMATION**



## Timelines:

15

Dates	Actions
6/18	Send budget information to campus (Strategic Plan from SPG, President's Priorities, timelines and budget request templates)
7/30/18	Send out call to Deans and VPs for updated Strategic Plan and budget request template
8/31/18	<ul style="list-style-type: none"> <li>✓ Return Strategic Plan to Provost</li> <li>✓ Completed budget requests to Budget Director with cc to VPAA</li> </ul>
9/2018 10/4/18	Fiscal Update with Budget Listening Session (afternoon session) provided by VPFA office
10/10/18	Fiscal Update with Budget Listening Session (morning session) provided by VPFA office
10/10/18	Faculty Listening Session provided by David Sammeth, Faculty Senate Chairman
10/31/18	<ul style="list-style-type: none"> <li>✓ Strategic Planning Group reviews Strategic Plans and submits Priorities to President</li> <li>✓ Director/Department Budget Priorities Feedback on Budget Plans to Deans and Vice Presidents</li> </ul>
11/5/18	Final FY20 Budget Request Due to VPFA Office
11/12/18	Budget Prioritization
12/3/18	Fall Budget Presentation to Campus Community from VPFA Baca
12/14/18	Final Budget Presentation to Board of Regents



## Documents:

- Budget Template
- Budget Priorities
- Relevant information

<http://www.nmhu.edu/finance-and-administration/>






# THANK YOU

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