

University Budget Committee

Minutes

01.21.2022 | 9:00 am | Meeting called to order by Tim Bisping

In Attendance

<u>SUBCOMMITTEE 1</u>	<u>SUBCOMMITTEE 2</u>	<u>SUBCOMMITTEE 3</u>	<u>SUBCOMMITTEE 4</u>	<u>SUBCOMMITTEE 5</u>
<input checked="" type="checkbox"/> Larry King	<input type="checkbox"/> Keith Hubbard	<input type="checkbox"/> Kim Childs	<input type="checkbox"/> Alisha Collins	<input checked="" type="checkbox"/> Leslie Cecil
<input checked="" type="checkbox"/> Angela Bacarisse	<input type="checkbox"/> Erin Bailey	<input checked="" type="checkbox"/> Jessica Barrett	<input checked="" type="checkbox"/> Rick Berry	<input type="checkbox"/> Kay Johnson
<input checked="" type="checkbox"/> Todd Barrios	<input type="checkbox"/> Janet Jones	<input checked="" type="checkbox"/> Chris McKenna	<input type="checkbox"/> Laura Turner	<input checked="" type="checkbox"/> Michael Mauer
<input checked="" type="checkbox"/> Mike Coffee	<input checked="" type="checkbox"/> Stephanie Ross	<input checked="" type="checkbox"/> Rob Meyers	<input type="checkbox"/> Judi Kruwell	<input checked="" type="checkbox"/> Beverly Morehouse
<input checked="" type="checkbox"/> Edward Iglesias	<input checked="" type="checkbox"/> Jeremy Stovall	<input checked="" type="checkbox"/> Kelly Noe	<input checked="" type="checkbox"/> Barbara Qualls	<input type="checkbox"/> Alex Reisinger
<input type="checkbox"/> Jason Johnstone	<input checked="" type="checkbox"/> Trey Turner	<input checked="" type="checkbox"/> Megan Weatherly	<input type="checkbox"/> Veronica Beavers	
		<input checked="" type="checkbox"/> Lesa Beverly		
<input checked="" type="checkbox"/> Tim Bisping				

Agenda:

Presentation by Gina Oglesbee, Chief Audit Executive and Jane Ann Bridges from Audit Services

Meeting:

- Audit Services was tasked with providing aid to the Board of Regents in an overall better understanding of the budget.
- An external reviewer, Belt Harris and Pechacek, LLLP, came in to review the financial statements as of 08/31/2021.
- SFA was found is in a solid financial position.
- The SACSCOC said it is best to have 25% (or 90 days) of operating expenses in reserves. SFA has 45.4% (164 days), which is 20.4% (or 74 days) over the SACSCOC recommended allotment.
- In comparison to our peers, SFA is on par with other universities.
- Budget vs Annual Financial Report (AFR)
 - o One of the challenges we face is data integrity reviewed from other universities
 - o SFA budget is prepared on a cash budget
 - o AFR includes items that are not in the budget (i.e.: Tuition discounts, depreciation and amortization, bad debt expense, retirement liability accruals, other post-employment liability accruals, debt accruals, receivables, and asset and construction project capitalization).
 - o National Association of College and University Business Officers (NACUBO) has created functional classifications in order to standardize reporting. SFA already utilizes this through program code in Banner, but could improve on what we're already doing.
 - 100 – instruction (E&G salary, O&M budgets)
 - 400 – Academic Support (provost office, dean's office, library)
 - 500 – Auxiliary (residence halls, food services, parking, athletics)
 - 700 – Institutional Support (presidents office, HR, financial affairs, budget office, purchasing, payroll, legal affairs, auditing, EEO, Government Relations)

- To aid in comparison to our peers, we use IPEDS (integrated Postsecondary Education Data System), which was established through NCES (National Center for Education Statistics) (www.nces.ed.gov/ipeds)
- IPEDS does exclude some categories based on how the reporting university categorizes the revenue/expense. One example provided was Athletics. Some university includes athletics within student fees, while SFA includes it in Student Services. The key to comparing institutions is to understand what data is included in each area of finances being reported.

Next Meeting

Monday, February 4, 2022