Members/Staff in Attendance:
Don DeHayes, Robert Weygand, Peter Alfonso, Abu Bakr, Robert Beagle, Thorr Bjorn, Faye Boudreaux-Bartels, Winnie Brownell, Trish Casey, Steven D’Ho ndt, Tom Dougan, Jeff Johnson, Ron Jordan (by phone), Ken Kermes, Glen Kerkian, Patricia Morokoff, Stephen Swallow, Raymond Wright, Ann Morrissey, and Linda Barrett.

Presentation of Enrollment Planning, Financial Aid, and Retention: Current and Future Needs: Dean Libutti, Interim Vice Provost, Enrollment Management

Members Absent:
David Bedard, Cheryl Foster, Jack Szczepanski

See the complete list of member information at the Strategic Budget and Planning Council website at http://www.uri.edu/budget/sbpc.html

Meeting Minutes:

1) Meeting called to order at 9:14 am by Council Chair Don DeHayes.
   a) Any feedback or comments on budget principles should be e-mailed to Council Staff Member Ann Morrissey.
   b) An overview of the agenda was discussed.
2) Chair DeHayes called for any additions or corrections to the Minutes from the April 5, 2010 SBPC meeting.
   a) Hearing none, a motion was made, seconded and passed to approve the minutes.
3) Divisional Budget Presentations process and dates for Committee Review
   a) Chair DeHayes initiated a discussion on the Division Budget presentations. Council members received the format for the information requested from the Divisions.
      i) In response to Peter Alfonso, Chair DeHayes indicated that due to the time frame, the focus should be on the unrestricted budget for each Division. Peter Alfonso will include Overhead in his Division presentation. It was noted that any changes to the University's Overhead Distribution formula would have to be approved by the Board.
      ii) Vice Chair Weygand initiated a discussion on the scope of the Division Budget presentations. In response, Chair DeHayes emphasized that the presentations are not a Divisional review. Each Division should capture budget requests for FY12, above and beyond current service level, and any reallocation of existing resources. Each presentation should be approximately 30 minutes.
      iii) Discussion regarding meeting length, dates and times for the Divisional presentations ensued. Tentatively, meetings will be set up during the week of May 17th for the presentations. A suggestion was made to video tape the presentations. Chair DeHayes mentioned there would be written material provided by the Divisions. These materials, for all Divisions, will be provided to the Council members at least one week in advance of the first presentation.
iv) Discussion ensued on FY13 and FY14. Chair DeHayes indicated that the Divisional Budget Planning request asks for a brief summary/projection of budget needs and priorities for FY13 and FY14. A discussion, separate from the Division presentations, should take place on long-term projections (3-5 years) for key items such as enrollment, budget, financial aid, and state appropriation. It will be important to estimate the amount of students that URI needs, for example, five years from now. The question was asked on whether we are going to really do things differently or just tweak around the edges.

v) Steve Swallow initiated a discussion on the alignment of incentives with budgeting, to encourage innovations and cost efficiencies. Portions of the savings achieved by a unit should stay with the unit. Chair DeHayes mentioned supporting productivity in the divisions, and suggested future discussions on this topic.

vi) Peter Alfonso suggested having the Divisions rank their priorities and the Council can review these priorities across all Divisions.

vii) The Division plans should support and compliment the Academic Strategic Plan.

viii) Council Staff Member Ann Morrissey reminded the Council that, pending finalization of the dates for Divisional presentations, all Division materials are due on May 1st regardless of the Division's presentation date.

4) Enrollment Planning, Financial Aid, and Retention: Current and Future Needs by Dean Libutti, Interim, Vice Provost for Enrollment Management

a) Please refer to the Enrollment Management Presentation distributed at the meeting.

b) With URI’s out of state tuition third highest amongst peers, URI is competing in the private market.

c) The current trend in tuition discounting is for schools to look at new revenue and how aid can be used to increase or stabilize net revenue.

   i) The Noel Levitz April 2010 discounting report for private institutions calculated an average overall discount rate (including room and board) of 36% for Fall 2009. If URI’s discount rate was 36%, we would have spent $17M on aid for the freshman class. URI’s discount rate for FY11 is anticipated to be around 21%. This report also indicated the percentage of students with need has increased while the number of students with no need decreased in Fall 2009. This shift is related to the economy, reduction in household savings, and increasing cost of higher education.

   ii) Tuition discounts should be aligned with enrollment priorities. It will take years to substantially increase the discount rate.

   iii) The Higher Education Act update of July 2008 will require a net tuition price calculator to be put on our website by July 2011.

d) Need based aid is one item to strategically consider. At URI, 55% of students receive need based grants. Total need based loans for undergraduate and graduate students is $121M. URI’s default rate is good, but the calculations are changing.
The University of Rhode Island  
Strategic Budget and Planning Council  
April 26, 2010  
9:00am - 11:00am  
Galanti Lounge - Library  

e) Vice Chair Weygand noted that when room and board rates are added to tuition and fees, the cost to attend URI becomes just as high as our competitors. Dean Libutti noted that the cost of textbooks, lab fees, special program fees, and travel expenses are not included in tuition and fees. Total cost to an out of state student is approximately $40,000 a year. Delaware should be added to the analysis.

f) The $60M of financial aid in FY10 does not include loans, federal money, fundraised awards, and outside scholarships.

   i)  Vice Chair Weygand asked about the graduation rates by aid category. This information will be valuable to ensure we are getting the right results out of the investments. Dean Libutti and the Retention Team are looking at this data.
   
   ii) Vice Chair Weygand also commented on the Athletic awards and the need to understand the split between merit and need based Athletic awards.
   
   iii) Chair DeHayes commented that with general scholarships we are spending less than 1/2 of the student aid budget on less than 1/3 of our students. We need to look at this group more closely. (see Financial Aid, Scholarships & Remission 2009/2010 slide on page 6 of the handout)

   g) Funds have been drastically shifted to need based awards over the past few years.

   h) URI is below the national average on out of state retention. Data shows students who leave are going back home to attend an in state, public school.

   i) In addition, the number of transfer students is slowing down nationally.
   
   ii) A small percentage of students withdraw from URI and re-enroll.
   
   iii) Exit survey data shows cost, location and housing were considerations in students leaving. Student not admitted to their first choice major leave at higher rates.
   
   iv) The relationship between discount rate and out of state retention will be examined closer.
   
   v) Retention strategies of our competitors will be examined as well.

   i) The maximization of net revenue, alignment of strategic goals and financial aid, value and quality will be items to focus on in the future.

5) URI Three-Year FTE Staff Data Comparison


   b) Council Staff Member Linda Barrett provided an overview of the data. The data reflects staff only (faculty is not included). There is a summary page for all funds, one for general revenue, and one for non-general revenue. Detailed data by department and college are also included. The increase in non-general revenue is mainly in research grants. Peter Alfonso mentioned the research numbers included direct and indirect costs.

Meeting Adjourned at 10:58 am.
Information Requested:

1) Retention data by college.
2) Student aid and retention information by category.

Required Action:

1) Chair DeHayes indicated any comments on the Budget Principles should be sent to Council Staff Member Ann Morrissey.
2) Council Staff Member Ann Morrissey may include Overhead distribution on the next agenda.
3) Council Staff Member Ann Morrissey will review dates for Divisional presentations.

Next Meeting Date:

May 5, 2010 from 9:00am to 11:00am in the Galanti Lounge, 3rd Floor, University Library

Next Meeting Agenda:

1) Approval of April 26, 2010 Meeting Minutes
2) Overhead Policy and Distribution
3) FY 2010 Auxiliary/Enterprise Mid Year Budget
4) Meeting Schedule for Divisional Budget Presentations
5) Meeting Schedule Summer 2010

Minutes by: Kelly Slocum, Budget Analyst, Budget & Financial Planning 4/26/2010