

## Budget and Resources Committee

Annual Report: 2021-2022

Members

Function/Purpose

Meeting Notes

November

The B&R standing committee met on Tuesday, November 9th. Assistant VP for Govt and Comm. Relations, Ricardo Rel, was invited to the meeting. He made a detailed presentation about the RPSP (Research and Public Service Projects) requests to the legislative body of the State. The request includes a 7% increase in the faculty salary. This request is supported by CUP (Council of University Presidents), Community College Presidents and Presidents of other four year Colleges. Mr. Rel was quite hopeful the request will have widespread support from legislatures. It will have to be approved by several bodies such as the Legislative Finance Committee (LFC) and finally the Governor. The B&R committee strongly feels a minimum of 8% increase is the appropriate amount as the inflation index is currently at 6%. The Chancellor is made aware of this higher % request through VC Johnston with whom FS B&R Committee Chair had a subsequent meeting on November 15th .

December

The Budget and Resources committee met on Tuesday, December 7th. The committee had invited Vice Chancellor Ruth Johnston, and special assistant to VC, Dave Maddox, to the meeting. Both of them have experience working with the Faculty Senate at their previous institutions. VC Johnston will be taking over the responsibility of NMSU finances as the Senior VP of Finance, Andrew Burke is set to retire. Government and Community Relations is also another one of her responsibilities. VC Johnston shared her view about Budgeting Practices and said she would like to have feedback from the faculty senate and this particular committee to shape the future practices. Members of the committee stressed the need for an 8% salary increase request to legislators in view of the inflation rate already at 6%. Other issues such as budgeting for match commitments, competitive startup packages, instrumentation and facility, building and infrastructure, graduate student compensation etc. were discussed. The committee has invited VC Johnston and Dave Maddox to the committee's next meeting in January to continue this productive dialogue.

January

Guests Present: VC Ruth Johnston, Dave Maddox, Tina Hales, and Ricardo Rel. The committee member attendance was slim. In attendance were Marcel Montanez, Brian Hampton, Huiyao Wang, and Vimal Chaitanya. Julia Parra, FS Chair and Jamie Bronstein, FS Vice Chair were in attendance as well.

Tina Hales, Director, Post Award Admin, SPA presented the information about the Higher Education Emergency Relief Funds (HEERF). Total award to NMSU from the Dept of Education was about \$96.5 Million, which included Student Aid about \$39 M, Institutional Funds about \$51 M (\$23 M for remote learning and IT expansion, \$11 M for lost revenue, \$11 M for student support – \$6.3 M of which was divided into 27 funded proposals through competitive process, and \$5 M for sanitization), \$6 M MSI.

Important message: these funds need to be used up by June 22, 2022. No cost extension is almost impossible. By April, funds which seem unlikely to be used up in time will be swapped for other allowed uses confirming to HEERF guidelines.

David Maddox, special assistant to VC Johnston and Ruth Johnston, VC made a presentation pertaining to budget development. This included review of procedures being implemented to consider requests for funding in the FY23 budget. The requests forwarded up the chain of command will be reviewed with the FSBRC in their February 8th meeting. Further, the timeline for budget development and budget realignment was shared for input and discussion. The model is expected to provide a comprehensive view of NMSU's budget and funding on a system level.

Finally, Ricardo Rel, Assistant VP for Government and Community Relations, gave details about the NMSU budget requests and funding recommendations from the Executive committee (EC) and Legislative Finance committee (LFC). In brief, EC recommends a 13% (\$116 M) increase in operating budget while LFC recommends 4.5% increase (\$41M). EC recommends 2% and LFC 3% increase in I&G. Each 1% increase in budget amounts to about \$1.5 million increase in NMSU budget.

Important Information: The CUP/NMICC/NMACC requested a 10% increase in salary compensation, but EC recommends a 4% increase and LFC recommends a 3% increase in later quarter of 2022 and another 4% increase in 2023 (effectively a 7% increase). LFC is also recommending a \$50 M non-recurring HED research technology enhancement funds for the three research universities. Through subsequent talks, Ricardo was going to introduce "Equipment" in addition to "match commitment" to allow purchase of research equipment. There is also \$50 Million non-recurrent funding request for social worker faculty positions. Ricardo was going to make sure it includes mental health worker related positions. Among other LFC recommendations is a \$150 million request for hydrogen energy hub to attract federal funding to establish one of the four hydrogen energy hubs in New Mexico.

## February

Guests Present: VC Ruth Johnston, Dave Maddox, and Kim Rumford. The committee member attendees were Marcel Montanez, Brian Hampton, Huiyao Wang, Amy Lanasa, Talal Abdaljalil, Gustavo Pina, Cheryl Butterfield, Chris Erickson, and Vimal Chaitanya. Julia Parra, FS Chair and Jamie Bronstein, FS Vice Chair were in attendance as well.

Kim Rumford, Chief, Budget Officer, presented the timeline for the legislative budget request cycle. Some of the important timelines are June/July for the budget hearings of RPSP requests, prioritization of these requests and submission to NMHED in August. In an overall budget context, NMSU appropriation has gone up by \$3.7 million, along with recommended 7% increase in salary, minimum wage, and ERB adjustments. These are not fully funded and will cost NMSU an estimated additional \$2 M. Thus, there is a possibility of only incremental I&G funds available for I&G requests.

Total of 133 I&G requests were received for 2023 totaling about \$11.1 M. These were classified by units such as Academic Affairs, S3, Student Success etc. and by purpose such as operating budget, new positions etc. the criteria for selection were presented, discussed and input sought.

## March

Guests Present: Dave Maddox, and Ricardo Rel. The committee members in attendance were Marcel Montanez, Brian Hampton, Huiyao Wang, Amy Lanasa, Talal Abdaljalil, and Vimal Chaitanya. Senators Julia Parra, Jamie Bronstein, Mayra Valadez, and Michaela Burkardt were in attendance as well.

Ricardo Rel, Assistant VP for Government and Community Relations gave updates about the NMSU budget requests post-legislative session. The legislature has approved \$84.1 million in new operating and Capital Outlay for the NMSU System however the Governor vetoed \$6.4 million resulting in \$77.7 million in new funding. Additionally, \$238.5 million for financial aid, \$45 million for research matching funds, \$137 million for endowed faculty and other positions, \$15 million for expanding enrollment in nursing programs, 7% Compensation increase with 3% down payment in the last quarter of FY22 and Funding for \$15.00 minimum wage (after 7% compensation increase) were included. For more details, please contact the committee Chair.

The committee discussed Proposition 07-21/22 to establish part-time/temporary faculty representation on the faculty senate, including changes to the Faculty Senate Constitution. Senator Michaela Burkardt with Senator Mayra Valadez made a presentation about the proposition under consideration by establishing the need for approval of the proposition, which will entail changes to the faculty senate constitution because of the rules governing the election of senators from various representative groups. The committee was in unanimous favor of participation from temporary non-tenure track faculty in the senate. Most of the lengthy discussion revolved around how to make the proposition language simpler. The presenters mentioned difficulty in doing so because of the various faculty designations used by NMSU. No motion was made and there was no quorum at the end of the discussion, which had extended way beyond the allotted time. The proposition will be taken up for further discussion at the April meeting of the standing committee.

April