

**AUSTIN PEAY STATE UNIVERSITY**  
**2020-2021 Financial Planning Taskforce**

**May 19, 2020**

**Minutes**

**Committee Charge**

**Guiding Questions**

- Tim Hudson suggested adding a question regarding student learning outcomes and the impact on learning.
- Lynne Crosby suggested adding “Is there an impact on students’ ability to complete their degree and certificate programs.

**Follow-up Information**

- **Expected Impact of COVID-19 on University Finances**
  - Nancy KingSanders asked if leftover funding from this fiscal year can be carried forward to next year to help if there is a budget shortfall. Mitch said that it takes about 2 months to close out the fiscal year, so the actual numbers will not be known until September.
  - Mitch shared the current estimate of expenses incurred due to COVID-19. Kristine Nakutis clarified that the Aviation program is now flying and should recover about half the losses from the Aviation Science course fee.
  - Chad Brooks brought up the TN contract to supply face shields, but he was not sure of if a profit would be made from it.
- **Reserve Funds from Suspended Projects**
  - Mitch discussed the discretionary allocations to reserve funds from suspended projects. TBR used to require that APSU have at least a 2% reserve, but it might not be a requirement now.

**Target Completion Date**

- Mitch stated that the target completion date for the taskforce is June 16, 2020, after the Strategic Planning Integration Team submits the white paper to the SLT.

**Subgroup Assignments**

- Mitch shared the draft list of subgroup members and discussed possible co-chairs, which he will assign. The list will be finalized by Thursday along with when each subgroup needs to meet.

- Joe Mills mentioned the revenue scenarios introduced at the last meeting and asked if there is a specific target in mind for revenue and expenses. Mitch said that is something the subgroups will be looking at and coming up with different ideas and the impact on the University.
- Donna Price expressed concerns with not having a budget resource for the Academic Services group.
- Mercy Cannon mentioned adding students to the Instruction group, and Greg Singleton suggested adding more students to the Student Affairs group.
- The subgroups will be looking for efficiencies, true cost-savings measures, and ways to enhance revenue.
- Mitch mentioned that at the spring meeting THEC did not make any recommendations for binding tuition rates since the State legislature has not finalized the budget.
- Tony Morris asked in the chat about lock-in fees for incoming freshman for a number of consecutive years. Though Finance has looked into this tuition model, nothing has been implemented.

### **Cost Containment Matrix**

- Mitch discussed the cost containment matrix to which the subgroups will add their ideas. This matrix will consist of four parts: revenue enhancements, expenditure investments, administrative & academic efficiencies, and expenditure savings ideas.
- Mitch explained that a tactic might be considered a failure if it does not meet expectations, such as the past early retirement incentive, which did not reach the desired savings. Vikki McCarthy suggested adding a column to the matrix for Desired Outcome.

### **Open Discussion**

- Nancy KingSanders mentioned a product called EduNav that optimizes degree plans and has administrative functions to indicate the number of students close to graduation. Mitch said to add this option to a list of recommended expenditure investments and to include the cost and timeline for usage.
- Crystal Faulkner suggested adding a column to the matrix for Impact on Enrollment/Retention.
- Jackie Struckmeyer suggested using P-cards for all necessary buying in order to increase the University's rebate.
- Chad Brooks discussed the potential impact of decreasing Gas.
- Mitch explained that the THEC funding formula may not have as much to do with the amount State appropriations allocated to the University at the moment, though the State normally uses THEC's recommendation, which is determined by the formula.

- Austin Siders suggested looking at how to maximize current real estate investment.
- Chad Brooks noted that with APSU having ~30% online instruction, the University is already in better shape than others.

### **Next Steps**

- **Finalize Subgroups and Establish Chairs/Co-Chairs**
- **Develop and Discuss Cost Saving Ideas and Expenditure Investments**