

Minutes of February 9, 2023 Meeting

The meeting convened at 3:32 p.m. via Zoom

UPBC members present: Kathy Blee, David Brown, Jeanine Buchanich, Tony Delitto, Betsy Farmer, Bob Gregerson, Tracee Howell, Christie Jackson, Robin Kear, Mark Kelley, Martha Koehler, Amy Miller, Luca Rigotti, Lindsay Rodzicz, Hari Sastry, John Stoner, Juan Taboas, Julie Vandenbossche

Also present: Richard Henderson, Denise McCloskey, Lucy Russell, Paul Supowitz, Kathy Tosh, Thurman Wingrove, and Steve Wisniewski.

UPBC members not present: Yodit Betru, Yvonne Brewster, Ann Cudd, Dave DeJong, Paul Harper, Carson Hawk, Tracee Howell, Varbi Mridha, Anantha Shekhar

Approval of April 25, 2022 Meeting Minutes

The minutes of the April 22, 2022 meeting were sent to Committee members in advance of the meeting. John Stoner made a motion to approve and Kathy Blee seconded. There were no additions or corrections; the minutes, as circulated, were approved with no abstentions.

Role of the UPBC

The UPBC serves as an advisory committee to the Provost and develops budgets parameters for the E&G operating budget that are then forwarded to the Chancellor for review and approval. The UPBC has three levers to work with:

- Tuition
- Salary Increases
- Budget Cuts

Makes recommendations on proposals establishing, terminating or significantly changing degree programs or significantly altering resource allocations at the levels requiring the approval of the Chancellor.

There is a subcommittee of UPBC known as the Parameters Committee that is open to all members of the UPBC. The Parameters Committee is responsible for collaborating with the CFO's Office to work through the levers that make-up the budget and makes recommendation to the UPBC. The Parameters Committee is currently chaired by Betsy Farmer and is scheduled to meet on April 11 and April 25.

One change in FY23 is how we will progress with the UPBC and Parameters will be a little different. The faculty has unionized through the USW and Pitt leadership is currently negotiating with the USW on a collective bargaining agreement. Per the union's request, the administration cannot discuss any topics

with union members that would be considered mandatory subjects of bargaining. This would be considered direct dealing and not allowed under the organizing principles of the union. Current guidance is to modify the process a little bit and is evolving while working with the Union to maximize shared governance without direct dealing. Pitt's administration is committed to maximizing shared governance but must follow rules put forth by the union. To ensure we follow the rules, we will be splitting the UPBC meetings into two sessions: one with full membership and one with non-bargaining faculty members. The first portion of the meeting including full membership will include discussions on anything that is not a mandatory subject of bargaining. The second portion of the meeting that only includes those non-bargaining faculty members will include discussions on anything that is a mandatory subject of bargaining.

The committee had conversations regarding the issue that most of the committee would be excused when discussing mandatory subjects of bargaining, since a majority of the committee is composed of faculty in the bargaining unit. One suggestion was that the members in the bargaining unit might temporarily appoint other faculty who are not in the bargaining unit to ensure faculty have meaningful input. This solution would require a Memorandum of Understanding with or approval from the union.

Lindsay Rodzvicz provided support for temporarily appointing non-bargaining members to the committee.

The faculty would welcome discussions to talk through alternatives instead of cutting faculty out of the discussions.

Conversations are confidential in nature and information is not shared outside of the Committee, because the Committee's decisions are pre-decisional. All recommendations must go to the Chancellor for approval.

FY23 Budget Review

Hari Sastry provided an update on the FY23 Budget:

- Total FY23 Budget is at \$2.7 Billion
- Revenues (in order ascending to descending \$ amounts) come from grants and contracts, net tuition and fees, sales and services, Commonwealth appropriation endowment distributions, and contributions. Of specific note is that we surpassed the \$1B mark in grants and contracts for the first time in Pitt's history.
- Expenses (in order ascending to descending \$ amounts) are for compensation, other, business and professional, supplies, and utilities.

History of the Commonwealth appropriation

In 2023, after much negotiation, we did receive level funding from FY22 at \$193M. Numbers are not adjusted for inflation.

Review of the FY23 UPBC recommendations versus Actual Budget

Commonwealth appropriation increase was not approved; therefore, the tuition increase went to 3.5% (in state) and 5.5% (out of state) instead of the recommended 3% and 3.5%. Salary pool recommendation of 4% was actually increased to 4.25%.

Enrollment

Undergraduate enrollment increased slightly but that was due to targeted increases in specific programs. Professional and graduate enrollment increased a bit. Regionals remained constant. International enrollment continued to increase toward pre-COVID numbers.

Tuition

From FY19-FY22, gross tuition has increased by 10%; however, net tuition has only increased by 3%. This is due to additional financial aid provided to students.

New Budget Model

- Changes decision-making and empowers deans
- Provides transparency
- Creates incentives

FY23 is the first year of implementation – RCs were given targets (subventions/surpluses). PBC orientation sessions were conducted by the Provost and CFO's Offices.

Robin Kear pointed out that Slide 13 indicates the UPBC is a shared governance committee; however, if bargaining members are being excused from sessions, it is not shared governance.

Appropriation Discussion

House special elections resulted in a democratic majority, 102-101. Republicans remain in control of the Senate from 28-22. Even with a Democratic governor and the House majority, Pitt still needs significant Republican support for the Pitt appropriation.

The timing of the budget cycle: Pitt submitted our budget ask to the Department of Education in October 2022 that included a 6% increase. We also provided our annual report to the General Assembly and the Governor's Office. The Appropriations cycle kicks off on March 7 with Governor Shapiro's budget proposal. The Chancellor will testify on our budget request before the Senate Appropriations Committee on March 30. After that, it is an open process as to how the legislature moves forward. It will also be determined whether or not the state-related institution requests are reviewed and considered individually or bundled together. Having the state-related institutions move forward together as a package provides a much stronger political position, because it ties all of the funding together. The issues with Pitt have not changed; however, the dynamics have changed slightly in our favor.

Matters Arising

Juan Taboas supported Robin's request to discuss the rules of membership and temporarily appoint faculty who are not in the bargaining unit.

Tracee Howell is on the Committee as an observing member and asked if she could participate in the sessions that are closed to the bargaining-unit members since she is only an observer and not a voting member.

Steve Wisniewski agreed to run these concepts by the attorneys to see if they are possible.

Amy Miller asked if all faculty are required to be a member of the bargaining unit. Lucy Russell explained that all eligible faculty are automatically in the bargaining unit; however, they can choose whether or not they join and pay dues.

Adjournment

The meeting adjourned at 4:24 pm.

DRAFT