

Senate Committee on Finance and Planning (SCFP)
May 5, 2020
Minutes of the Meeting

These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate; none of the comments, conclusions, or actions reported in these minutes represent the views of, nor are they binding on the senate, the administration, or the Board of Regents.

[**In these minutes:** Policy Consultation: Continuity of Operations (COOP); Retirement Transition Update; Finance and Operations Workgroup Update]

PRESENT: Frank Gigler (chair), Lisa Babbs, Mike Berthelsen, Brian Burnett, Liz Davis, Harrison Frisk, Tony Fussy, Bob Goldstein, Jennifer Gunn, Stephanie Heim, Linc Kallsen, Michael Korth, Jill Merriam, Paul Olin, Carl Rosen, Rod Squires, Erik Van Kujik, Sashank Varma, Traci Woollums, Ben Yawakie

REGRETS: Aleksander Holleran, James Pankow, ZiRui Su

GUESTS: Paige Rohman, chief of staff, University Services; Ken Horstman, interim vice president, Office of Human Resources (OHR)

OTHER: Phil Buhlmann, Megan Sweet

Chair Frank Gigler welcomed the committee and the members introduced themselves.

1. Policy Consultation: Continuity of Operations (COOP)

Paige Rohman, chief of staff, University Services, provided the following documents to SCFP members in advance of the meeting for review and comments:

[Continuity of Operations - Policy](#)

[Procedure - Developing and Managing a Continuity of Operations Plan](#)

[Appendix - Continuity of Operations Plan Template](#)

[Appendix - Critical Operating Units](#)

[Appendix - Letter Certifying Compliance with Exercising of Continuity of Operations Plan](#)

Rohman explained that the policy was due for a comprehensive review 12 to 18 months ago, but the review was delayed in order to accommodate any recommendations from an audit in this area.

Gigler told Rohman that he had emailed feedback and edits on the drafts.

2. Retirement Transition Update

Ken Horstman, interim vice president, OHR, shared slides titled [Retirement Transition - Update on Delay](#), and he shared the following updates:

- On March 16, 2020, the University decided to delay the single record-keeper retirement transition to June 12, 2020. Horstman reported that the community understood that the

delay was due to the volatile markets as a result of the Coronavirus, and there was widespread support for the decision.

- The primary disadvantage to the delay is that early choice elections for balances previously made will be null and void. He told committee members that this will affect roughly 5% of the University employees enrolled in the programs.
- June 8, 2020-June 22, 2020 will be the new, shorter, blackout period.

3. Finance and Operations Work Group Update

Brian Burnett, senior vice president, Finance and Operations, told members that the Finance and Operations Work Group is scheduled to provide a progress update at the Board of Regents meeting on Friday, May 8, 2020. He cautioned that the University will likely have to pivot to a contingency plan that includes pay cuts or furlough for University employees. Burnett told members that he is hopeful that the state legislature will honor the funding that they previously earmarked for the University, but explained that the funding is no longer guaranteed, given all of the financial challenges facing the state as a result of the Coronavirus. He told members that early models of the pay cut and furlough plan reflect an exemption for people making less than 40K per year, as well as tiered cuts to ensure equity for employees.

Horstman told committee members that the work group has not compiled specific pay cut amounts, or where the income levels will change, but he reiterated that the tiered approach is the work group's guiding principle. He further explained that some employees cannot be furloughed because they are essential employees, so pay cuts may be the only option for the University in those positions. He said that he is also focused on making sure administering the plan is not too cumbersome or susceptible to administrative error. Burnett and Horstman also provided the following updates:

- The work group is also looking at long term savings opportunities, like how the University can be more resourceful and sustainable administratively (i.e. information technologies, human resources, finance, etc.) in a way that favorably impacts the University's budget.
- Enrollment numbers for the incoming freshman class are strong, but the summer melt is still uncertain.
- Burnett will be presenting a balanced FY 2021 budget to the Board of Regents on Friday, May 8, 2020. They will vote on the budget at their next meeting.

With no further business, Gigler adjourned the meeting.

Bobbie Erichsen
University Senate Office