

HSU Staff Senate Minutes

Wednesday, October 14, 2020

Members Present: Ricki Rebollar, Kelly Stewart, Carrie Burt, Chris Golston, Ermatine Johnson, Dr James Borsig, Jennifer Holbrook, Martha Bryant, Phyllis Cogburn, Victoria Mirocke, Willica Morgan, Debra Collings, Emily Todd, Leah Sexton, Susie Kirk, Johnny Campbell, Beverly Quillin, Bobbie Lee, Ashely Childs, Jarrod Bray, Christopher Adams, Amber Brownlee, Sandy Dening, Katie Brown, Elizabeth martin, Flora Weeks, Connie Testa and Tina Hall.

Call to Order:

The regular meeting of the Henderson State Staff Senate was held on October 14 12, 2020 via Google Meet. President Ricki Rebollar called the meeting to order at 10:00 AM.

I. Approval of Minutes:

September Minutes were approved in the October Meeting.

II. Guest Speaker: Dr Jim Borsig was welcomed by Ricki. Keeping everyone up to date on where the University stands on a few things that matter to all of us and then I'll be glad to take a few questions and I appreciate the opportunity to be here for today's meeting.

The first thing that I want to talk about is the work with DWS. We are continuing to plug away with them. We are working to make sure that every employee has filed their appeals and we are also working with DWS to match up our records with their records because we have appeals that have been filed that they don't have records of. And we also think that there are employees that may not have received letters from DWS because of an address issue. We have one case where the employee had not resided at the address for nearly 30 years and no real reason as to why that address was used by DWS. That is the work that is being done right now over the last week or so. We have been working directly with an attorney with DWS and trying to resolve our issues. Getting all the appeal filed that we have and that are filed I think has helped our case and gotten their attention but it's still somewhat of a mystery because on one level they are going to have to work directly with employees and on another level they can work with the University and so we're trying to make sure that we know how those conversation are taking place. But there were some employees that we are still working with to make sure that we had appeals. It's not as fast as anybody wants, but we are still at work and will continue to pursue this until we get final answers. But I am cautiously optimistic that we're making

progress. As we move through this, at least we're being able to deal with all the issues of our employees with really one person at DWS and so that's where that stands as of three o'clock yesterday. And those that are affected will be looped in through Rita as we work through trying to match these records up with DWS.

In the fiscal 21 budget, I don't think I've been here since the email went out that had the spreadsheet. And the University right now is at a 2 million deficit for the current operating budget. There's still every indication that there will be a federal stimulus. There is no indication when that federal stimulus might be approved though. It's not going to be, in my opinion, before the election. It will be sometime after the election and we don't really have any idea the amount of the federal stimulus. All the proposals that are on the table are double the amount of federal stimulus that was authorized by the Congress and by the federal government back in the spring. That number was nationally about 14 billion. Most of the proposals, whether it's been Republican or Democrat or a bipartisan caucus, called the problem solvers caucus all have been in about the 30 billion dollar range. We received about \$3 million dollars (maybe just under \$4 million), half of that went directly to the students and then half to the University. The half that went to the University is currently a revenue in this year's budget. We've got about \$2 million of rederail stimulus in this budget that were operating under. So that's the first financial milestone. I hope it's the first milestone that we get an answer on sometime after the election. The second milestone is going to be what net tuition looks like in the spring, Because we have made an estimate for what tuition will look like in the spring and also for what auxiliaries, residence life houses, food service will look like in spring. On an educated guess, because we don't believe history is going to be of any use to us. We know that students are not living on campus because many of their courses are being taught in some form of online format. We have reduced the density in classrooms and all of which were anticipated in an effort to make campus safer for everyone and to provide accommodations to our colleagues, faculty and staff that could be exposed to the virus and that would have a negative health outcome. So some of this is anticipated but there's really no way to predict what enrollment looks like in the spring. I will tell you there's an aggressive effort to recruit students that dropped out our deferred enrollment last fall. That's being handled through recruitment. Dr Hunt and Dr Patterson are working with a group that is still being put together because there are some, I think pretty swift actions about retaining students from the fall to spring. Residence life already has a plan ready to try and recruit more and keep what we have as far as students living on campus. So those are the two revenue milestones for us, what will the federal government do as far as a stimulus and the second what will net tuition revenue look like in the spring? Those will remain unknown.

I have tightened up the hiring freeze to a hard freeze. I'm going to be the only one that can approve exceptions and generally what those exceptions will be related to are compliance issues or accreditation issues and this is really through seeing what spring revenue looks like. Then we will be able to make a better judgement going forward. Because we will have received it, I hope we will know what the federal stimulus looks like and we will know what the spring revenue looks like. So for the next 90 days, we're going to tighten up even more on replacing positions and on discretionary spending, what little discretionary spending that we have. I can't give you a formula about filling positions but we're going to be as cautious as we can about keeping positions open. To preserve opportunities for us to manage through the current fiscal year. As well as head into the next fiscal year.

We are going to start work on the fiscal 22 budget in the next few weeks, also the University Planning and Budgeting Committee is going to be where that takes place and really talk about the fiscal 21 budget and help everyone understand really what the pandemic has done to the institution. That's why I'm not at all concerned about talking about a federal stimulus because I believe most of the negative impact financially on Henderson during this academic year and during this fiscal year is cause by the pandemic and unlike other places we didn't have a reserve to begin with but if you start paying attention to what's happening to universities across the country, there are some that have a very small reserves and they're already feeling the impacts. That's the same impact that we're feeling. But in the meantime, the planning and budget committee will take a deep dive into understanding how the budget works and how the impacts of what happened during this fiscal year. The planning committee that Dr Hunt and Dr Patterson are going to lead, should be announced in the next couple of weeks. My thinking on that continues to evolve and we're goin to build it around an existing University Committee and I'm still not to the point of being certain exactly how that works. We want to make sure that we have the right folks on it and it's not going to be a strategic planning process but it's' going to be an effort to chart a strategic path for the next couple of fiscal years for the University identifying our opportunities, our weakness and our strengthens and setting some high level goals. We know that we want to grow enrollment and retain students. We know we want to move forward financially sustainability and let that group do some thinking about those issues and begin charting a path. I think that group will wrap up its first round of work early in 21 calendar year.

So that it can fit into the budgeting process but it probably is going to stay alive as we work through the calendar 21 in fiscal 22 to keep an eye on what our path looks like because we have got to work as hard to identify places where can can grow enrollment as do about place where we can kurt expenses, so it's really a two part question.

The federal stimulus, I want to be very candid and clear about this and this stimulus will not all be used to backfill existing operations and allow us to continue to operate the way that we have operated in the past. That may cause more anxiety as a sentence that I intend for it to because there are several things that we have to do. We have to put, I will use \$6 million dollars as a hypothetical number because it's one of the numbers that we have seen about a federal stimulus. I'm not going to say this is the formula for how we spend the federal stimulus because we have got to put some of that aide to create a service. Because we have no reserves. A revolving line of credit at the bank can only be used for payroll and it costs us \$30,000 to access that line of credit with the expectation it will pay it back within 30 days. So we have that as a stopgap to make sure that we can meet payroll. But we need to be able to set some money aside, in order to have some cushion and I'm not going to say because I don't know what the right number is to set aside. We also know that we need to set aside some money because we have infrastructure issues that continue to happen. We have some roof problems on the campus that could jeopardize buildings so we know that we have to put some of the money aside for that also. We also know that we are going to need some of that federal stimulus right now in the current budget. And we will contribute some amount as we build the 22 budget for that federal stimulus in order to fund our operations next year. I would say that the goal is to create a slope and not a cliff. As we work through trying to determine where our revenue and expenses are and at the same time invest in the places that will grow enrollment and we have to grow academic programs even this fall, we have some programs with more students enrolled than we did in previous years. And we have got to be able to make some smart choices about where to invest so that we can grow enrollment at the same time that we are trying to manage these expenses. So that's a piece of the federal stimulus plan, and the university also will be putting the final touches with the help of the ASU System and their expertise on a voluntary early retirement plan. That will require some funding also from the federal stimulus plan and it will require discipline on our campus, because the only way that this will give us some operating budget relief for a couple of fiscal years, which is what I think the goal is. We can't fill every position where someone retires. I mean, we will need those retirements and need some room too. To navigate over a couple of fiscal years. So I think that's something the federal stimulus will find and what I'm expecting is we will have an idea of what that looks like by the end of the calendar year. And kick it off at the beginning of the next, beginning January of 21. But those are just some examples of how that federal stimulus will be allocated. We have three goals and I got this question from the facility. This issue in the auxiliary budgets being where the deficit is, we are managing this university on cash flow not the revenue and expense budget. Now, we have had to delay decisions in hiring, even since July 1. Based on how much money was in the bank for the University, now how much approved in the budget and that's if you think about it, that's not really a

surprise because spring semester and fall semester, tuition is a large number in our budget and so that long with state appropriations and fee is where we we fund the university. So we went through a tight time period until we began to receive tuition revenues from the fall and mid september through early October. So we have been managing the university from a cash perspective and we have done a good job at being able to do that. The priorities for the university is to pay our debts first and I am talking about our long term debts. I have already been in contact with Moody's & Buster's who control the credit rating for the University. Andrea Fleming in the ASU System, folks about every two months and keeping everything up to date and our credit rating has been stabilized by taking the approach of we're going to pay our debt and we're going to make payroll. Those are one and two (but they are both ones) but this means we have to save cash to make payments and also have cash on hand to make payroll. Then making sure our vendors are getting paid within about 60 days and we have managed fairly successfully due to some pretty strict but sound cash management practices over the last six to eight months. So we put ourselves in the position to be able to do those three things. We have the money in the back for the debt payments later in this calendar year. We have sufficient cash on hand and like payroll and we have catching up some and we are keeping our vendors paid within 6 days. So those are all priorities at this point. Again, I'm optimistic that there's going to be a federal stimulus, I just can't predict the day that we are going to get a federal stimulus. You also shouldn't leave with what you heard me saying there's not going to be money in order for us to smooth out fiscal 21 because I'm anticipating that there will be money to help us smooth out fascia 21. But I think that what I should live with is that visual of a slope instead of a cliff, because we will continue to have to find ways to increase revenue and find ways to reduce costs. And part of that reducing cost will not really. We won't see the benefit of the banner computing system until July 1st and I know that a lot of of you on this meeting today, deal with a lot of paper in the natural course of you do everyday and I can't even tell you much of an impact in a positive way that's probably going to have once we end up with that computer with 21st century computer system. Managing the campus and so all of this is going to work out overtime. Conversations are underway regarding the spring semester calendar, illuminating spring break, push back start date a week, a lot of universities around the country are doing this to help with the peak flu season as they possibly can. No decision has been made here; the discussions are just getting started. I know that impacts the holiday that we have to figure out how to manage, which we would and we would come back to the staff senate for that conversation. But as of right now, OBU and Henderson are on two different academic calendars for the spring and our students have spring break and there students do not. The real impact is probably on faculty who are going to be teaching students there. Their faculty teach our students on spring break. Our faculty is having spring break and their students are still in classes. That conversation is underway

and once we have an answer to that, we will share it with others and we're looking to see what others in Arkansas are doing also. It's becoming pretty common to push the start of spring semester to avoid the worst of the flu season and to limit the opportunity for students to leave campus and then come back to campus under the idea that would help curb the spread of the virus.

I will be happy to take questions: Hearing mostly silence, then I will wrap up. I still haven't met many of you in person. I'm grateful to the work that you are doing and in these not so easy days for us and I want you to know that we are doing everything we can with DWS. To heal this University community from a financial standpoint and try to improve the communications across the campus. Everyone has my email address and I get emails now with questions and I am happy to answer. So again, I appreciate the change to be here and I look forward to meeting more of you in real life.

III. Presidents Report:

Staff Senate President Ricki and President Elect Bobbie Lee, we have met with shared governance. We assisted with nominating staff university committees. Ricki had a staff senate/chancellor one on one meeting with Dr. Borsig. We spoke about the following; concerns were about Holidays and how they were decided and why we were not included in the conversation about the use of Labor Day at Thanksgivings instead of Christmas. How was the decision made for that and essentially said that it was the board but he said that next time there will be consultation with the senate because then we will know how a decision was made. Candidates are being interviewed for the New HR Director, we are excited about the new HR Director starting. We also met with the staff recognition committee and we will be moving forward with it. I will be sending an email out about the Staff Excellence Award sometime today and if not today then tomorrow for sure. We have had two recipients from the 2019 fiscal year that received the Staff Excellence Award and that wasn't up that was not able to get the President's Staff Excellence Award, which is you remember is at the end of the year at the Staff Luncheon. The committee met and decided to move the two recipients to this year from last year, they were: Kris Dunn and Connie Loy. Since the eligible away rules states, we would have to amend that rule for this year and that is something that we would like to do. If not, then we would have to stick with the rule that the eligibility rules states on the website and continue. But here the committee did recommend that we add the two from last fiscal year to this fiscal (thus having 6 this year instead of 4) year, having 6 eligible for the President's Staff Excellence Award. Dr Borsig mentioned

that we were interested in doing this, then I needed to hear a motion to amend the award eligibility so that the two from the previous year would be eligible for this fiscal year award. (Motion was made and seconded and approved).

IV. Treasurer's Report:

Our current balance is \$206.00.

V. Secretary's Report:

No report at this time.

VI. Faculty Senate Representative Report:

Dr Borsig did mention most of the things that we discussed during the Faculty Senate. The only thing that I wrote down was that he did not mention an update on Dr. Jones and that he received his last payment in September. That was due to the fact that the last payment which included leave is distributed the following month.

VII. Staff Emergency Fund Committee Report:

No updates at this time other than I would like to encourage everyone to talk to people in your area. We do have funds with the foundation that can be used for this, so just talk to people in your area and encourage them to apply.

VIII. Announcements:

Henry Torias, Alumni of the HSU will be speaking on campus tomorrow during dead hour at 12:15 and it will be via zoom. Facebook on the Student Engagement Center page. He is currently the Chief Information Officer at ASU and he is going to speak about philanthropy and entrepreneurship.

IX. Adjourned:

Thank You and this meeting is adjourned at 10:40 AM and our next meeting will be on Wednesday, November 11th at 10 AM via Google Meet.