

## University of Wisconsin-Milwaukee

### Physical Environment Committee

Wednesday 20 January 2016

Lubar S185

8:30 a.m. – 10:00 a.m.

Minutes

**Present:** Fitzenberger, Genzmer, Fredlund, Heathcote, Nelson, Stoner, Tabatabai, Wallick, Wiseman, Young; *ex officio* Schmidt, Schuttey, Van Harpen

**Absent:** Crowell, Duce, Florsheim, Huddleston, Kennedy, Lundeen, Smith, Sorensen, Zafra; *ex officio* Surerus

- I. Call to Order. The meeting was called to order at 8.30 a.m.
  
- II. Approval of Agenda and Minutes
  - A. Approval of Agenda. The agenda was approved as submitted.
  - B. Approval of Minutes of 16 December 2015. The minutes were approved as amended to show brief discussion regarding an invitation to the Chancellor to attend a future PEC meeting. Schuttey noted that the Chancellor would be invited when more is known about the capital budget. Discussion on the minutes included a question regarding the actions taken by the committee and what happens to a motion once made (e.g. motion on chalkboards vs white boards made at 16 December 2015 meeting). Schuttey responded that there will be news at the PEC meeting in February. The plan is to leave chalkboards where they are as remodeling takes place.
  
- III. Old Business -None
  
- IV. New Business
  - A. Parking and Transit Budget. Glen Fredlund, Chair of the Transportation Subcommittee, reported that the subcommittee did not have quorum required to make a recommendation on the PT budget at its most recent meeting (19 January 2016) and the PEC would need to take up the PT budget directly. He stated that much of the discussion of the group at this last meeting had been about campus service charges assessed to P&T, specifically what is identified as institutional service support. Robin Van Harpen and Cindy Kluge were in attendance and explained these charges, but the subcommittee lost quorum before a vote could be taken on the budget proposal.

Stoner indicated that the proposed budget was ready for presentation and asked that questions be held until the presentation was complete. Prasanna Nanda, Director of Parking and Transit proceeded with his budget proposal which is available at: <https://www4.uwm.edu/secu/faculty/standing/pec/minutes/15-16/index.cfm>

Questions and discussion took place during the presentation. These were addressed by Robin Van Harpen and other BFS staff members as well as Nanda. Topics included the use of reserve funds for costs other than Parking and Transit and increased charges for campus services that affect P&T (slides 5-7). In addressing the use of reserve funds, Robin Van Harpen stated that over the years, reserve funds have been used for purposes

other than P&T (e.g., some by legislative act such as the 2003-05 decision that absorbed reserves system-wide for a shortfall in the state budget and a one-time use by the campus for PeopleSoft programs as approved by the Board of Regents). Another question asked for an explanation of the increase in campus services charges. Van Harpen explained that the substantial increases reflect a decision made by the campus to try to include as many different funds as possible in addressing the 2015-17 budget cut. To reduce the effect of that cut on GPR funds, the four major auxiliary units (Housing, Restaurant Operations, the Student Union, and Parking and Transit) were used as a source for absorbing \$2.5 million of the biennial cut. The result was an increase in service charges. This decision was made in consultation with UW System, who suggested raising Institutional Support Services (ISS) charges as a way to distribute the cuts across all funds. System also cautioned that all 4 auxiliary units must be treated the same in the formula used to assess these charges. *An argument was made at the Transportation subcommittee meeting that PT funds should be handled differently per state law. Van Harpen is asking Legal Affairs for an opinion regarding this point.* Campus “expansion costs” charged to PT were also addressed. Budget Director Cindy Kluge explained that the amount reflects savings from the 2011-13 budget that were absorbed by the campus and used as needed.

Discussion took place regarding the use of reserve funding in the past and its impact on current and future rates. *Geoff Hurtado stated that, working with Nanda, he would pursue a history of the use of PT reserve funds and bring that information to the PEC.* One committee member strongly cautioned the PEC to be vigilant about the use of PT reserve. A suggestion was made that BFS earmark the PT reserves so that they can be tracked and preserved; the possibility of encumbering funds for future projects, such as maintenance and repair was suggested. This would prevent these funds from appearing as part of carryforward/cash balances.

*Moved and seconded to approve the budget as presented was taken by roll call vote. Motion passed, 8 yes, 1 no, 1 abstention.*

- B. Reports – None
- C. Announcements/Other
- D. Adjournment. The meeting was adjourned at 10.00 a.m.