

SENATE FINANCE COMMITTEE
MINUTES OF MEETING
FEBRUARY 26, 1975

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The meeting was called to order at 5:10 p.m.

Senator Floyd R. Lamb was in the Chair.

PRESENT: Senator Floyd R. Lamb, Chairman
Senator James I. Gibson, Vice-Chairman
Senator Warren L. Monroe
Senator B. Mahlon Brown
Senator William J. Raggio
Senator Clifton Young

ABSENT: Senator Lee E. Walker

OTHERS: Ron Sparks, Fiscal Analyst
John Dolan, Fiscal Analyst
Howard Barrett, Budget Director
Cy Ryan, UPI
Senator Joe Neal

Ron Sparks explained the handouts. Mr. Sparks said that there is a recap of the revenue for the Health Sciences and Nursing at the University; and a recap of the positions for the University that are requested and those recommended by the Governor; and a roster breakdown for Western and Northern Community Colleges on the teams and their credit hours.

FORMULA

Mr. John Dolan made a presentation that explained the various formulas used by the University to arrive at their budget requests. Mr. Dolan said that different results are obtained on different campuses in accord with the instructor - student ratios used.

Mr. Dolan said that the following functional breakdown is used by the teaching colleges:

- 1) General Administration
- 2) General Expense
- 3) Student Services
- 4) Instruction and Departmental Research
- 5) Library
- 6) Operating and Maintenance
- 7) Grants and Aids
- 8) Reserves

The Budget Office only used the major formula of the Instruction and Departmental Research which makes up the largest portion of the budget.

Senator Raggio asked that during the explanation, Mr. Dolan follow a specific budget i.e., UNLV, so that he could better understand the process.

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FORMULA (Cont.)

Mr. Dolan said that the steps are as follows:

- 1) Determine the number of FTE's
- 2) Determine the ratio to be used -- Mr. Dolan discussed the difference between the differentiated ratio, and the single ratio.

Mr. Dolan said that the ratio mainly used is a partial 20 to 1, as the Budget Office did not include all the graduate assistants.

- 3) Determine full-time equivalent total teaching faculty.

The University requested that the graduate assistants be included as 1/9 of the FTE faculty. The Budget Office did not include the "full-weight" of the graduate assistants.

Mr. Dolan said that a 4 to 1, and 8 to 1, for classified and wage positions is what has been historically used. Senators Lamb and Raggio asked if this ratio has been used in other universities. Mr. Dolan said that this is valid to our own experience, and that he has a study that shows a whole range of ratios used by other universities. Mr. Dolan said that 3 1/2 to 1 is fairly consistent for medical colleges.

Senator Neal asked if there is a base period in the fiscal year from which the average is determined for salaries. Mr. Dolan said that the average is for the whole year.

Senator Gibson was concerned that the Community Colleges were basing their faculty on a depressed figure derived from cost figures out of an enrollment jump. Mr. Dolan said that the Community Colleges were talking about their total budget, not just faculty.

Senator Gibson was concerned about the fact that the State is required to provide funding for the Medical School in order to receive accreditation. Mr. Barrett said that the Accreditation report does say that the State must provide a solid basis of support.

- 4) Determine the Operating Costs.
- 5) Determine the Out-of-State Travel.

Senator Raggio said that under Student Services at UNLV, the FTE's are reduced, but the operating costs are constant. Mr. Barrett said that even without the positions being filled, the same supplies are needed by the remaining staff.

Mr. Dolan said that percentages of the I & DR are used for the General Administration and General Expenses; but all the other functional areas use their own formula. The total Governor's recommendation for the percentage of I & DR is 45%, except for the UNR campus which is 57% to 60%, (\$20 million), and then the University asked that 10% of I & DR go toward General Administration, and 8% for General Expenses.

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FORMULA (Cont.)

Senator Young asked what were the requests for the pay increases. Mr. Dolan said originally there was a 10% increase, then they asked for a 12.1% increase for each year of the biennium, and finally the Governor recommended 12.1% for the first year, and 7% for the second. Senator Young asked how many of the University people have an opportunity for an automatic increase. Mr. Dolan said that they have an opportunity for a raise every year. Mr. Barrett said that the classified positions only have a merit increase of 2 1/2%, and the professionals on a different scale do have built in merit increases.

In conclusion, Senator Lamb introduced the idea that the Committee should consider some alternatives to the salary increase measures suggested by the State. Senator Young thought that perhaps appropriations could be set for one year of the biennium, and then a special session could be called for consideration of the second year, or perhaps the Committee could meet under adjournment consent.

There being no further business, the meeting adjourned at 6:25 p.m.

RESPECTFULLY SUBMITTED:


SHEBA L. WOOLLEY, SECRETARY

APPROVED:


FLOYD R. LAMB, CHAIRMAN