

**Case Western Reserve University**  
Faculty Senate Budget Committee

*Meeting Minutes*  
September 19, 2007

**I. Call to order**

Committee Chair, Professor Ken Ledford called to order the first regular meeting of the Faculty Senate Budget Committee at 4:00 p.m. on September 19, 2007 in Adelbert Hall, Toepfer Room.

**II. List of Attendees**

Chris Ash	David Biegel	David Hutter	Edith Lerner
Elizabeth Click	Glenn Starkman	Hossein Sadid	Jerry Goldberg
Jim Lalumandier	Julia Grant	Ken Ledford	Ken Loparo
Lee Thompson	Marsha Pyle	Nicholas Ziats	Shirley Moore
Susan Case			

**III. Open Issues and Summary of Discussion**

1. Primer on Budget Process, Terminology, and Timeline presented by Chris Ash. Chris touched on the following (also see the draft reference guide):
  - organizational structure and functions
  - difference between audited financial statements and the operating budget
  - income and expense allocation rules
  - timetable and flow from planning to budgeting to forecasting
  - call Chris with questions on any facet of the process
  - Once FY07 Data is available the guide will be updated and posted on the Web Site
2. Chris Ash presented information on the FY07 Third Quarter Forecast vs Preliminary and Final Close numbers as well as the FY07 Net Position Reconciliation.
  - Reviewed FY07 third quarter for the 3 most challenging schools. CSE, WSOM and UGEN did better than forecasted. SOM was worse.
  - Several one-time solutions helped to close the gap.
3. Jerry Goldberg gave an update on Financial Recovery Plans. He pointed out that some wording was revised as previously discussed at the last FSBC meeting held 8/31/07.

CSOM Plan Highlights: Reviewed FY07 through FY10 and discussed how the school will move from FY07 to FY08.

- Discussion of worst case scenarios
- FY08 Actions and Contingencies: \$2.5M contingencies built in to deal with possible risks as well as \$2M in expense delays/reductions
- It is anticipated that the results will be impacted by PwC findings.

- Data on Moody's Ratings was added - currently CWRU has an "A" rating. "Aa" rating would be very challenging for CWRU to achieve.
- Jerry Goldberg informed the committee that he has been meeting with all schools regarding the Strategic Plan.

4. Open Discussion:

- PwC Study: A comprehensive review initiated by the Board to look at different aspects of the SOM and benchmark with other schools. Should be completed by November and may impact Recovery Plan.
- Cleveland Clinic Lerner College of Medicine: At this point, very little is known. News appeared prematurely. Lerner College is a small "boutique" school designed to educate clinical researchers with a 5-year program. There will not be a great financial impact.

5. Chris Ash handed out Proposal and Award Activity data updated for August 2007:

- Total Proposals have increased by 15%
- Total Awards have decreased by 29% (due to decrease in SOM)
- Still early

**IV. Adjournment**

Ken Ledford concluded the meeting expressing his gratitude to all those involved with the committee and the open communication. The meeting adjourned at 5:55 p.m.

Next meeting is Wednesday, October 3, 2007. 4:00-5:30 p.m., Adelbert Hall Room 352

Minutes submitted by: Heidi Fanta