College of Arts & Sciences **Budget Advisory Committee**

MINUTES Wednesday, December 2, 2009

Present:

Voting members: Professors Susan Glosser, Niko Loening, Todd Lochner, Jens Mache and Heather Smith.

Ex-officio: Julio de Paula - Dean of the College, and George Battistel - Associate Vice President of Finance.

Guests: Carl Vance - Vice President for Business & Finance, Robert Nayer - Director of Operating and Capital Budgets and Dith Pamp – Student Representative.

Recorder: Anne Boal - Dept. of Mathematical Sciences Absent: Jane Hunter - Associate Dean of the College

The minutes from the November 11th meeting were approved with amendments.

Chair Glosser read a letter from Professor Nora Beck, the Faculty Athletic Representative to the National Collegiate Athletic Association. Professor Beck expressed her disagreement with this committee's recommendation to cut the PE/Athletics budget by 7.5%. She suggests that their budget be cut 5%, which is similar to many other departments. She also disagrees with this committee's concerns with the expenses for the football team, and considers the team important to maintain and support at Lewis & Clark.

Dean de Paula updated the committee on the 2010-11 budget, which is still in progress and very fluid. At this point, the \$2M deficit has been cut to a deficit of \$627,000, which will be worked on at a meeting of the Budget Managers this Friday. The efforts to cut non-personnel budgets are going well. This budget scenario includes no salary raises for faculty nor exempt staff with salary increases for union employees dependent upon upcoming contract negotiations. The budget for Common Services has not yet been set.

However, the administration just found out that the premiums for our PEHT health plan, managed by Regence Blue Cross/Blue Shield, would increase 12.7%, a reduction from the latest estimate of 15.5% recommended by the PEHT board. There will be no increases for the Kaiser health premiums. These increases are not yet reflected in the upcoming budget.

Professor Loening asked if it would be cost effective to only maintain one health insurance carrier, namely Kaiser. Mr. Vance and Mr. Battistel explained that the college is committed to offering a choice of two health plans for employees. However, they have subsidized the plans differently in order to keep the costs competitive for the employees, and therefore a balance in the number of employees in each plan.

Chair Glosser asked if it is possible to offer health insurance to part-time employees, thereby increasing the pool of recipients and possibly reducing the premium costs to individual employees. Mr. Vance replied that employees must be at least .53 FTE to be benefit eligible which the insurance carriers stipulate.

Mr. Nayer reported that expenses for energy would be about the same as this year, with some utility costs increasing and some decreasing.

Dean de Paula added that the 2010-11 budget anticipates 500 new first-year students, 60 new transfer students, a 3.5% tuition increase, and a 36% discount rate, although these figures could change. Professor Lochner asked if they have modeled contingency plans, if these goals are not met. Mr. Vance replied that these have not been done yet. Dean de Paula noted that the number of requests for student leaves based on financial problems are fewer than he expected.

Dean de Paula was pleased that some of the departments with larger budgets have recently submitted budget proposals with good reductions. The overseas office will be able to offer the same number of trips while reducing their budget.

Professor Lochner asked if they could now gather input from other faculty concerning the proposed cut to TIAA-CREF benefits versus a salary reduction. Mr. Vance replied that it would be helpful to ask something like - "if we have to cut compensation, do you want the college to cut the TIAA-CREF contribution, have a salary reduction, changes to health insurance, etc." Professor Lochner asked if possible lay offs are still on the table. Mr. Vance said that they can't guarantee not having layoffs.

Chair Glosser asked about reducing our electricity costs by measures such as turning off the computer in Miller when not in use. The room lights are already on motion control. Mr. Vance replied that he believes it would be possible to have control devices for the computers. She also asked about the lights on Griswold athletic field, which are on late into the evening. Mr. Vance replied that they are looking into this, however the lifespan of these specialized lights is reduced by constantly turning them on or off.

Dean de Paula will keep this committee updated by email during the break.

The committee expects to not meet again until the Spring Semester.