

College of Arts & Sciences
Budget Advisory Committee

MINUTES

Friday, February 26, 2010

Present:

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

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

Guests: Carl Vance - Vice President for Business & Finance and Lyndsey Romick – Substitute Student Representative.

Absent: Robert Nayer - Director of Operating and Capital Budgets

Recorder: Anne Boal - Dept. of Mathematical Sciences

The minutes from the February 12th meeting were approved as written.

Mr. Carl Vance reported that the Board of Trustees met last week and approved the proposed budget for 2010-11, except for one policy. The Board had trouble accepting the proposed short-term investment policy changes to allow more aggressive investing, than just money market accounts. The proposed new policy would have added approximately \$400,000 in the common services revenue budget. The chair of the finance committee tabled this resolution until their meetings in May.

The consultant for the new president's search suggested a new peer-comparison group of 15 colleges, which is a subset of our previous larger list of comparison colleges. In determining items such as the new President's compensation package, a smaller peer group of comparable institutions would be more beneficial. The consultant is also asking for a peer-comparison group for CAS, Law and Grad Schools. Professor Loening will double check the proposed list and report back to Mr. Vance.

Chair Lochner asked about the mechanism for requiring budget surpluses to be returned to the operating margin. Dean de Paula noted that extra funds are sometimes needed for unpredictable expenses such as parental leaves and faculty travel. Mr. Vance suggested that policies be created such that budget managers have the power to move budgets among non-personnel lines, but that budget transfers to or from personnel lines, would need to be approved by him. This method was successfully used at a previous college where he had worked. He does want to see when the funds allotted for a vacant position are requested for the operating budget. Otherwise, extra personnel funds would be returned to the operating margin. This proposal is endorsed by this committee, and will be submitted for review by the Executive Council.

Dean de Paula explained that the Enrollment Management Committee tracks data on student admissions and advises on issues such as academic quality, and how many students to take off the wait list. The Admissions office will soon begin issuing a weekly

report of their admission statistics. Chair Lochner would like better communication between this committee and the Admissions & Financial Aid Committee, without encroaching on their territory. He would like to be able to track the statistics over the years, to ensure that the quality of student is not lowered. Dean de Paula suggests that the most meaningful budgetary number to track is the discount rate.

Professor Loening asked about the need to do Faculty Reviews during a year with no faculty raises, such as 2010-11. Several alternative plans were discussed, and Dean de Paula will raise the issue at the Faculty Council. Various alternatives were discussed.

Chair Lochner discussed polling the student body on their budgetary priorities and trade-offs. Dean de Paula offered a little money for prizes for students who complete the survey. Committee members thought that faculty in the Psychology or SOAN departments could help him write a survey.

Chair Lochner would like to begin an in-depth review process of budget envelopes. Other members of the BAC agreed that doing so would allow the BAC to make better informed recommendations for the next budget cycle. Professor Loening suggested that the BAC begin by looking at the budgets for academic departments before moving to nonacademic institutions such as athletics and student services.

Mr. Vance announced that some people are concerned about eliminating the van pool. However, they are being operated at a loss, and the college believes that the use of other vehicles, such as College Outdoor vans, private taxis, or private vehicles would save money.

This committee will meet again in two weeks.