

College of Arts & Sciences
Budget Advisory Committee

MINUTES

Friday, October 29, 2010

Present:

Voting members: Professors Cliff Bekar, Rachel Cole, Todd Lochner and Jens Mache

Ex-officio: Jane Hunter – Interim Dean of the College, Gary Reiness - Associate 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 student representative - Christabel Escarez

Absent: Voting member - Susan Glosser

The minutes for the October 15th meeting were approved as written.

Dean Hunter reported from the Budget Managers meeting that they will have a better picture of the net tuition revenue projections for next year after November 1, after the Early Action admissions applications are received. Professor Bekar reported that if tuition is increased by 4% and the next freshman class's financial aid discount is the same as this year, then the total net tuition revenue for the CAS would be a 0% increase, since this year's graduating class used less financial aid. There was a discussion about a 4% increase in tuition, however the Board of Trustees wants more dialogue about this issue. Professor Cole asked if there was a discussion concerning lowering the academic standards for admissions in order to admit more students. This was not discussed yet in the Budget Managers meetings.

Mr. Battistel announced that they expect about \$490,000 reduction in CAS endowment spending during the next year. Also, he explained that they are reconciling the CAS endowment regarding the houses which are now being rented to law students. The houses have been part of the CAS endowment, but they have not generated any endowment income over the years. Graduate school improvements to the south campus conference center will also affect the endowment allocations for the three schools.

The decrease in endowment spending is part of a potential budget shortfall of greater than \$1 M for next year; however there are still many budget issues to resolve for 2011-12. The new VESP (Voluntary Employee Severance Program) possible expense of \$1.5 M is not included in this figure. The bookstore was mentioned as a new revenue source with uncertain future revenues. AES and Summer School enrollments increased slightly, which is hopeful.

A proposal from faculty members Brian Detweiler-Bedell and Rebecca Copenhaver concerning future bonus payments was discussed. Dean Hunter explained that bonuses are not salary, nor part of the "base salary". Also, this fall, the decision to award bonuses happened very fast and there was not enough time to compute variances according to the 5-point scale used for CAS faculty salary increases. Mr. Battistel did not think that the auditors would accept this system of awarding bonuses to the CAS faculty, since the bonuses were college wide, affecting all three schools, which each have their own salary system. Some faculty mistakenly thought that Dean Hunter awarded the bonuses, however this was a college-wide decision not just a CAS decision.

The committee would like to meet with Brian and Rebecca to talk about revising their proposal for a policy on future bonuses.

This committee will meet again next Friday.