

College of Arts & Sciences
Budget Advisory Committee
MINUTES
Wednesday, February 2, 2011

Present:

Voting members: Professors Cliff Bekar, Susan Glosser, and Jens Mache

Ex-officio: Jane Hunter – Interim Dean of the College, Gary Reiness - Associate Dean of the College, George Battistel - Associate Vice President of Finance.

Guests: Robert Nayer - Director of Operating and Capital Budgets

Recorder: Anne Boal - Mathematical Sciences

Absent:

Voting members Professor Rachel Cole and Todd Lochner, and student representative - Christabel Escarez

The minutes for the December 17th and January 19th meetings were approved.

Chair Bekar will be reporting at the CAS faculty meeting today on salary pools, refinancing of the college debt and a few other issues.

The Finance Committee of the Board of Trustees will meet on February 18th to vote on the budget for 2011-12, and make its recommendation to the full board.

With the board's approval, the Finance Office is planning to negotiate refinancing our variable rate bonds to fixed rate bonds. They are also proposing buying down the debt at that time.

Mr. Battistel explained that the construction of a new dorm is not related to the refinance of the outstanding bonds. There are several options available to finance the dorm construction that will be considered and presented to the Board.

Dean Hunter thought that the BAC may want to explore shifting salary increases from a percentage to a fixed amount for 5 levels. This system would benefit the lower and middle paid groups of faculty/staff. Chair Bekar commented that if the college transitions to a fixed rate salary increases, they would need to examine hiring faculty at market rate, rather than below market. The current system supports hiring at a lower rate, since there is more potential to reach higher salaries over one's career and there is no cap on salary. A fixed rate would reward the younger faculty with higher percentage raises than more senior faculty.

There was a discussion concerning the usefulness and acceptability to the college of the survey of faculty salaries by Sibson Consulting versus the survey compiled by this committee several years ago. The recent Sibson study was commissioned by the Board of Trustees to survey faculty salaries at all three LC schools compared to about 15 comparable colleges. Mr. Battistel pointed out that Sibson's 10% range of "competitiveness" between colleges is not a number that has been approved by the Board. They commissioned a similar study of exempt staff salaries last year. Previously, the salary survey compiled by this committee focused only on CAS faculty and used a larger set of comparable colleges.

Associate Dean Reiness thought that it would be useful if a faculty member of this committee attended the Board of Trustees' finance committee. At present, two CAS faculty members not on this committee attend Board meetings, but are free to choose which sub committees to attend. Professor Glosser asked if Chair Bekar could attend these meetings as he has the best understanding of finances.