Faculty Senate Budget Committee  2014-15 Annual Report

Tom Carroll, Julia Eichelberger (Chair), Rohn England, Steve Johnson, Rhonda Mack, Brian McGee (ex officio), Courtney Murren, Tom Ross

1. An interim report was presented at the December 2014 Faculty Senate meeting.

2. The committee’s meetings and email discussions in January, February, and March are reflected in the memos published to the Faculty Senate Meeting April 2015:

   January Memo to Provost

   February Memo to Provost

   March memo to Faculty Senate

Slides for this Faculty Senate presentation are posted with the Highlights of the April 7 meeting. At that meeting we distributed, but did not discuss, one additional, separate report on the closing of the Stern Center pool and discontinuation of swimming and diving programs, clubs, and instruction.

3. This document also contains minutes from the following regular meetings of the Faculty Senate Budget Committee.

   Sept 15 2014  (page 2)

   Oct 7 2014  (page 4)

   Oct 27 2014  (page 6)

   Nov 8 2014  (page 9)

   April 6 2015 (page 10)
September 15, 2014 Minutes

Meeting in the Faculty Senate Secretariat’s meeting room, 108 Randolph Hall.

Members in attendance: Dr. Julia Eichelberger (Chair), Brian McGee (Interim Provost)


First item of business: volunteers for note taking during subsequent meetings and confirm subsequent meeting times

Oct 7 1050 am – Steve Johnson

Oct 27 12:00 – Tom Ross

Nov 18 1050 am – Rhon England

Second item of business: Introductions around the table and overview of 2014-2015 Budget circulated via email prior to the meeting.

Brian McGee (Interim provost) outlined the process for 2015-2016 Academic Affairs budget development. In his role as chief of Staff was a participant in the process. The strategic plan was evaluated in the fall. All high priority items were identified, anything that had additional needs or already accomplished were identified for inclusion in the budget. Then the process continued in early spring with gathering requests from the departments/schools. The full executive team had a meeting in the president’s office to develop the budget through negotiation at that meeting.

The result was an initial action plan that painted the budget in broad brushstrokes. This was then presented to the April board meeting. The board then weighed in. A further detailed annual action plan was developed to be presented at the May Board Budget committee. This document (sources and uses document) outlines the details of individual budget items as well as links to the big picture (annual action plan which is linked to the strategic plan) together with the full budget of new spending. All sources of revenues for the public budget are also detailed.

McGee reported that the new president would like additional transparency in academic affairs related to the budget. During the budget development it is challenging to predict the full amount. For example, the increases in spending planned for 2014-2015 were all subsumed in state mandated expenses (e.g. 2% COLA for all faculty and staff) or inflationary costs. State budget decisions are made by the end of June by the legislature.

Conversation then led to the type of student population, demographics of size of college-age population across the US, recruitment, and financial aid. Additionally the 10% plan was briefly described and acknowledgement of requirement in budget of additional costs for academic support services. It was also noted that this may increase retention across the
The budget committee was invited to ask questions during the planning/discussion of what was likely to commence as a pilot.

McConnell developed a new plan for the 2015-2016 budget development. Strategic plan alignment will continue, as will request for budgets from all divisions. On the academic side, the budget requests for maintenance and new funding will be submitted to deans. All budget managers will orally present these budgets to Interim Provost MGee with the budget committee also being present. Following these reports, the Provost will devise an initial draft, and share with his office and the campus-wide budget committee. Oral and written feedback welcome at both stages. Currently the calendar is not yet developed, most of the activity will happen in spring semester.

The remainder of the discussion time at the meeting was used to discuss enrollment questions, enhancement fees, models of fees at other schools, costs of FYE, costs and revenues of athletics, funding for adjuncts and sabbaticals and how our fee schedule has worked in the recent past.

Closing comments by committee chair. This committee no longer signing off on curricular changes or new programs as in the past. The committee can however review these them out of interest. The chair can make them available to interested members. One new program – MFA English will come to the budget committee. The current committee objective is to open a discussion on email to develop a list of potential topics the committee is interested in pursuing as research topics for the fall semester.

Initial ideas:

- Research of fees
- Marketing funding
- Fees associated with joining the Colonial and impacts on application pool.
- Office of Admissions and Athletics budgets separate from main academic budget

Courtney Murren took notes and submitted minutes to the committee chair.
BUDGET COMMITTEE MEETING MINUTES, OCTOBER 7th, 2014

LOCATION: Maybank, Rm. 119, 10:50am

ATTENDING:

Committee members present:

Chair: Julia Eichelberger – English
Tom Carroll - Health and Human Performance
Michael (Rhon) England - Mathematics
Steve Johnson - Studio Art
Rhonda Mack - Marketing & Supply Chain Management
Courtney Murren - Biology
Thom Ross – Psychology

Guests:

Scott Peeples - English, Department Chair
Bret Lott – English
Interim Provost Brian McGee

1. Call to Order: 10:55am

2. Announcements:

Committee Chair Julia Eichelberger welcomes the committee. The Committee is introduced to English Department Chair Scott Peeples and English Professor Bret Lott, both of whom will be answering questions related to the Creative Writing MFA program proposal.

3. MFA Creative Writing program proposal:

Scott Peeples and Bret Lott distribute a five year program cost sheet. Rhon English notes that the MFA Creative Writing program director does not increase above a 5k stipend and asks if and when there would be a stipend increase. Brian McGee explains to the committee that the table shows only 2015 costs and is considered a traditional expense vs. revenue model. Other members of the committee also note that the 5k stipend has not increased in other departments as well.

Scott Peeples and Bret Lott inform the committee that the MFA program will accept twelve graduate students the first year, and twelve the second, totally twenty four at full strength. Committee Chair Julia Eichelberger asks how many Post MFA Fellowships will be granted
and details concerning insurance and credit hours taught per year. Scott Peeples informs the committee that there will be two Post MFA Fellows per year, teaching 14-15 credit hours. The Fellows will help offset lines not taught by full time faculty. It is also noted by the committee that the Fellows will not be teaching enough credit hours to qualify for health insurance through the Affordable Care Act.

Committee Chair Julia Eichelberger asks Scott Peeples and Bret Lott why the MFA program is requesting a new line. Bret responds by saying that the fiction classes are always full and that without a new line, the undergraduates would be taking all of their intro classes from adjuncts and graduate students. By adding a new line, the undergraduates and graduates will both have access to full time faculty.

Rhonda Mack asks Brian McGee if there has been any State level resistance related to the proposal for the new MFA Creative writing program. Brian McGee informs the committee that the State responded in a letter that it will not stand in the way.

Committee votes all in favor for the MFA in Creative Writing program.

4. Minutes Approved from previous meeting. It was clarified that Tom Ross will take minutes for the October 27th meeting.

5. Future business:

Brian McGee informs the Budget committee that the larger framework for school budgets will remain relatively the same. Deans from each school will be submitting detailed budget reports. Members of the budget committee are encouraged to attend the Deans’ budget submission meeting. College wide schools and programs have been asked to craft their budget proposals/reports by Oct. 30th. Thom Ross states that he is in favor of more budget transparency and the ability to see what budget priorities are favored by Academic Affairs.

Rhonda Mack proposes that fee increases may help with School and Department budget gaps. She questions if the Dean from each school is in control of the fee structure. Brian McGee explains that fees may need to be increased to match inflation. Deans will be encouraged to update course fees if they haven’t been increased over the years. New budgets will need to provide details for all raised fees. It is clarified that fees will not be used to pay for buildings or to service debt.

6. Next meeting: Oct. 27th

7. Adjournment: 12:00pm
Minutes of the Budget Committee
October 27, 2014

Committee Members: Julia Eichelberger (Chair), Tom Carroll, Rohn England, Steve Johnson, Rhonda Mack, Courtney Murren, Thomas Ross, and Interim Provost Brian McGee (ex-officio)

The budget committee met at 1pm on Monday, October 27th. The meeting agenda including the following items: (1) Approval of minutes from our past meeting; (2) Discussion of the College’s Comprehensive Annual Financial Report (CAFR); and (3) A discussion with Interim Provost Dr. Brian McGee about his plans for soliciting budget requests with the aim of offering suggestions for this process. There were no curricular proposals before the committee at this time.

Regarding the aforementioned agenda, we suspended approving minutes from our past meeting until the committee’s next meeting in the interest of time. The committee’s goal was to review the CAFR in anticipation of the new budgeting process that will begin in the spring. The budget committee sought to educate ourselves on the details of the college budget so we could act as inform participants during the next budget planning process.

Dr. Brian McGee began the meeting by providing an overview of the CAFR. He first mentioned that this document goes above and beyond the typical budget reports to provide the totality of our institution’s financial picture. He added such a document is not produced by all South Carolina State Universities and Colleges. The CAFR provides an overview of how CofC has fared across several budget categories. Dr. McGee first outlined the college’s degree of indebtedness; namely, are indebtedness as a result of issuing bonds for funding facility construction and renovation. Dr. McGee reminded the committee that that under Alex Sander’s presidency little to no bonds were issued and, as a result, many of our facility needs were not addressed. In contrast, former President Benson sought to address our facility needs by issuing several bonds.

Julia Eichelberger questioned about whether the state underwrites the colleges bonds. Dr. McGee replied “no” stating that we have ownership and the responsibility to pay off our bonds; however, it is unlikely the state would let a college or university default. Dr. McGee next discussed the college’s revenue bonding capacity. He stated that the college was approaching our maximum capacity in as far as what it would be fiscally responsible to borrow. Julia Eichelberger asked if the bonds were 20 year bonds. Dr. McGee stated the terms of the bonds are difficult to specify because the college refines these periodically to acquire better financial terms. He added that the college has saved over $1 million by refinancing debt when possible.
Interim Provost Brian McGee then discussed some of the recurring versus nonrecurring expenditures and sources of revenue. He described the general ledger funds as those which support core functions, while the auxiliary budget included food, housing, and athletic operations.

Returning to the subject of revenue generating bonds, Thomas Ross inquired as to whether there were plans to seek future bond-related funding to build additional instructional space. It was noted that the CofC Master Space Plan did not include major renovations to ECTR and MYBK. Dr. McGee stated plans exist for a mixture of new buildings and to retrofit existing buildings with improved technology and renovation. Julia Eichelberger then questioned whether this space master plan should be better integrated with the college budget planning process, especially in light of the budget committee’s recent involvement in the budgeting process. More specifically, the committee could be better informed and provide feedback about building priorities as related to the budget.

Next, the committee members asked several questions about the CAFR. Rohn England suggested a more detailed breakdown of instructional expenses (e.g., such as computer upgrades, resources and support) would be more helpful (see CARF p. 72). Interim Provost McGee agreed and reminded the committee about the number of classroom enhancements which have occurred in recent years. He also added that the college is trying to assess the outcome or value of these improvements.

Rhonda Mack asked the question about whether any significant trends had emerged from the CAFR figures pertaining to faculty and staff lines on page 83. Interim Provost Brian McGee explained that identifying any specific trends is inherently difficult when data are presented in the aggregate. Julia Eichelberger then suggested that future internal reports on schools’ budgets could include more detailed data to identify hiring trends by school.

Courtney Murren inquired about the relatively flat curve for graduate assistants and more specifically why there have been no increases. Dr. McGee explained that this number can be influenced by situational variables such as a grant (which paid for GAs not getting refund/renewed). He also added that graduate school enrollments in education-related degrees have declined.

The discussion then transitioned to the Affordable Care Act (ACA) and how the college would fund its obligation to this program. Dr. McGee stated that funds generated from a portion of our tuition increase would provide the required financial support. He added that to the college is commitment to “do the right thing” by honoring the terms of the ACA and that our Board of Trustees was very supportive of our institution’s desired to fully participate. He stated that approximately 85 persons (fulltime faculty and staff) will benefit from the ACA’s implementation in January 2015.
Courtney Murren questioned about whether we could reduce our dependency on adjunct instruction by allowing graduate students to teach in the classroom. Interim Provost McGee noted that historically such options have been “off the table” however, the current administrative climate is more conducive to entertaining such possibilities.

During this point of the meeting Dr. McGee had to excuse himself because of another commitment. He was quite generous with his time; however, he could not stay for the full 75 minutes. Julia Eichelberger then wrapped up the meeting by suggesting the committee should continue our efforts to educate ourselves about the budget so we can act as informed participants when the new budgeting planning process begins in the spring. Other committee members agreed and suggested we make a plan for the specific role of the committee in this process (e.g., the manner in which we would participate in the several meetings planned for the spring). Julia Eichelberger agreed and then asked the committee if anyone had additional questions to submit to Interim Provost McGee. Steve Johnson asked for more detail about the 3.6% growth in Total Net Position indicated on page 26 of the CAFR. Tom Carroll inquired about whether Academic Affairs planned to use a formula-driven process for reallocating lines from departments or programs that could not justify replacing faculty (e.g., due to retirement) and what metrics would be utilized (e.g., instructional contact hours, enrollment and/or the number of declared clear majors).

The meeting was adjourned at approximately 1:15 PM.
Respectfully submitted,
Tom Ross
Budget Committee Minutes
11/18/14

Present: Julia Eichelberger (Chair), Rohn England, Rhonda Mack, Courtney Murren, Tom Ross
Ex-Officio: Provost Brian McGee

The meeting began with a report from Provost McGee addressing enrollment management and institutional budgeting.

He reported that enrollment is relatively steady-state but when enrollment projections are missed the result is overbilling and budgetary impacts (since CofC is primarily tuition dependent). This year there were two problems: 1. Lower Retention (the average is approx 80%) and 2. Lower Yield on out-of-state students.

Julia noted that we have not really seen this before. Rhonda asked if we were budgeting differently based on these changes. Brian said that we were increasing recruitment activities in various ways-focusing on different regions. He remarked that it was hard to change our business model. Brian noted that we will need to address this anomaly in our budget but it is not a “crisis”.

In response to a question, Brian gave the reasons that students leave before graduation.

Brian said that inspire of this our retention number were very good for our cohort…the 80% rate is hard to maintain for urban schools. We can't assume our budget is a constant.

Following this report, the Committee and Provost McGee decided that the new Budget Hearings would be held on Jan 12, 2015 for the Request Phase to be followed by the Report Phase on Jan 26 or Jan 28.

After this the Committee discussed issues to be addressed in the Spring 2015 semester then adjourned.

Resp submitted: M.R. England
Minutes—April 6 2015 Budget Committee Meeting

Agenda in bold, minutes in italics

Present: Julia Eichelberger, Rohn England, Courtney Murren, Tom Ross, Rhonda Mack, Brian McGee

1. Curricular Items with Budgetary Impact [Julia brought these to the committee’s attention; our signature is not required]

   ACCT 418 ?  DSCI 323?  EXSC 322?  [Discussion followed: we concluded that each course is already being covered as a special topics, was covered by a course that’s being dropped, or else the dept is making a hire this year, so no budgetary impact]

   PRST 4 new courses? [BPS is trying to make itself more attractive and draw more students; we are not yet well known enough to the adult population who keeps choosing cheaper programs, not realizing the greater value of our degree. The financial impact is nil since all these new courses are taught by adjuncts.]

   --At this point the discussion turned to distance ed, which is sometimes a way to increase capacity--as with courses being offered at North Campus for a business degree whose requirements will soon be completely available via North campus courses. Several of these are online or hybrid courses. This is the same degree we offer downtown. Rhonda Mack had some concerns about the speed of this transition, and Tom Ross also wanted to know if size of writing-intensive DE courses could be limited. Brian said size of a DE course could vary according to instructional costs. Also noted that DE committee and IT resources are supporting these courses extensively now, and paying attention to quality, but quality control remains the responsibility of departments, just as it is for all other courses they offer. Hybrid course delivery, which one study found to be the most effective of all (compared to all-F2F or all-online) could also give us some increased flexibility in scheduling and in classroom availability for downtown courses. Increased flex for undergrads can also mean they will graduate sooner, which frees up space for new students, increases our graduation rates.

   Changes to Public Health BA/BS—FYI [In response to escalating demand with not enough new $ available, changes are being made to make sure students can graduate in 4 years and faculty advising load is limited.]

2. How to do tomorrow’s Senate Report

   Paper copies? Yes, a few

   Major components I thought we’d stress; please offer suggestions. I would like more members of the committee to help me deliver the report if possible. [We hope for at least 10 minutes for discussion; hope the report will be 10 minutes or less]

   Process [Tom R suggests flow chart. Courtney notes that not all faculty understand how different this year’s process has been]

   This Year’s Increases; Critical Needs that Must be Delayed This Year
School-Based Fees [Be sure to explain how they would be done, principles for how to do this]

Special Appropriations [Give a quick explanation]

Our Recommendations, Things Faculty Should Know Going Forward

We need procedure for measuring needs of depts./divisions so that underfunded programs get what they need

We need to predict and meet student demand in our programs [Agreed]

We should assume that adding new programs could mean reducing existing programs

It’s hard to gauge the impact of some minors. Tom R: proposals should be more carefully thought out since minors can create pressure on depts. that service them; we have to assume zero growth in undergrads downtown

Multi-year appointments? Committee structure may need to be changed—multi-year appointments? But we don’t want to keep junior faculty (who are planning on a sabbatical soon) off the committee so perhaps that should be factored into committee structure and length of appointment.

3. Report on Athletics Budget and Pool/Swim Program Closure

Release after our discussion—on Senate Website. We are withholding it until after the discussion so as not to upstage a discussion of the Ac Affairs budget process. Possibly it can be discussed during Constituents’ Concerns if there is a carryover meeting on April 14th, Brian notes. He also said the increase in the Athletics fee has been consistent with inflationary increases in other budgets, with the exception of the year we joined the Colonial Athletic Association.

Tom Ross thanked Brian for his time and his efforts in keeping the committee informed and soliciting our feedback this year.

Most committee members will be at the Senate meeting Tuesday evening.