Budget Committee

9/21/15

Agenda

1. Minutes from 9/2/15
2. Assign Secretary Duties
3. Provide input to Interim Provost on possible Academic Affairs budget allocations and committee’s role in Academic Affairs budget process
4. Discuss possible new revenues being sought by the President and the BOT, other budgetary matters outside Academic Affairs
5. Discuss possible report for October Senate meeting

Minutes for 9/21/15

Members Present: Julia Eichelberger, William Veal, Martha Stackel, Thomas Ross, Courtney Murren, Calvin Blackwell, Doug Friedman, and invited guests Todd McNerny and Brian McGee.

Minutes motioned to approve by Tom, second by Veal. Motion passed.

Brian update:

Senate meeting – President provided a financial update.

He stated that we have exceeded our enrolment reserve. We are down by half a million. Must find this recurring money.

We project a more conservative enrollment for next year. We are not going with a 1-year solution.

Capture on a recurring basis, 1.5 million for education and general budget (ENG money). Cut from this year’s approved budget. Academic Affairs is largest unit on campus.

Business affairs IT are about $220,000 out of $1.2 million. Second largest for Business Affairs.

Do not use operating budget. Allow raises for the future.

Personnel is the most expensive. $1.2 million find in personnel with fringes of $300,000.

$844,000 out of personnel. Adjunct budget is 60% with lap salary from non-filled positions.

Provost Office has Academic Affairs and Business Affairs. All is done that can be done.

Dumb bad luck if there was a retirement and then no replenishing. Deferment of $250,000 is two years.

$150,000 is taken care of in Provost’s Office. He ate the rest. He is actively looking for faculty vacancies.

6 Academic Schools. 2 have no vacancies.

Choices to make: Structural or Operating budgets?
• Option: look at consolidating academic departments
• Staff who are TERI-ed? Could be terminated immediately, on the staff side. Faculty could have a TERI date looked at.

This is a cut for all staff and faculty. This includes Instructors who are year by year employees. No reduction of force will happen this year. Mainly which positions are now and will be eliminated next year.

2nd method for kicking can forward. Look at forward vacancies and see how they can be mortgaged now for later. TERI ends 2018. Ex. Department A needs someone now and will use Department B’s line that it will have in Fall 2018. So in Fall 2018, Department B will not have its line.

The lines here have followed the recessions or economical periods in the past few decades.

Start with lines that are currently vacant.

We might be involved with this? We need to know what the vacancies are in the future.

Provost does not know what the process is right now. Incremental adjustments.

ENG is taking 0.7% hit just as other Divisions are.

Adjunct utilization is not the same across the Unit. He could look at how different departments use adjunct lines. Would one be more favorable over the other?

What does he do when one dept. has a different use of student numbers, number of adjuncts, and etc.

Some departments are growing, holding, and loosing.

Roll-over tenure position to adjunct.

President has taken out more than their expected cut. There are few accountability measures for his office.

Line cuts, departmental restructuring, retirement. Travel freeze? But the problem is a recurring problem. Non-recurring would be an easy fix on operating expenses.

Julia interprets this as an opportunity for departments to make those cuts first and then advise the Provost. Provost is asking the Deans and then the department chairs. Members are saying the timeline is XFEHXYTX for the timeline of 12 days. We find the money in two weeks and then deploy over several years.

We have more roster faculty than 3 years ago. This is aligned with institutional goals. The Deans must turn in a faculty recruitment plan. Lines don’t automatically get returned back to department. Departments must justify line to keep.

Members provided suggestions for a long term goal for faculty decline and saving money. For example, this year we could take $100,000 in non-recurring funds and then next year work towards a complete focus on recurring funds.
Provost has been looking at Delaware numbers, ration of students to course offerings, etc. He will make
decisions based upon these data. Shared governance allows us to advise him. One third greater than the
$444,000 is available on the lines that are open.

Morale will be a very important issue in the next 3 weeks.

2009 Strategic Plan was to get 100 more lines. Basic premise, with more faculty, the more we could do. This was
predicated on raising capital with tuition primarily. This was accomplished partially with a tuition increase.
This did not work since tuition did not go up as much as anticipated. Need to find better revenue generating
graduate programs. The original financial model has been greatly compromised.

President wants a QEP. Next time it will be managed for cost.

Athletics budget? Might more programs get cut? He will look at how the scholarships and participation on an
athletic team correlate to positive cash flow in terms of tuition. Athletics is Auxiliary.

Can we see the “gross” totals of faculty and staff growth over time?

We will develop a report for the October Senate meeting.

A Doodle poll will be sent out to see if the committee can meet next week.

Principles for reduction: See Senate report.