College of Arts & Sciences Budget Advisory Committee MINUTES Wednesday, January 25, 2012

Present:

Voting members: Professors Cliff Bekar, Naiomi Cameron, Rachel Cole, and Christopher Wendt Ex-officio: Jane Hunter - Associate Dean of the College, George Battistel - Associate Vice President of Finance Guests: Carl Vance - Vice President for Business & Finance, Robert Nayer - Director of Operating and Capital Budgets, and Sam Cooper – Student Representative Absent: Voting member – Professor Jay Odenbaugh and Tuajuanda Jordan - Dean of the College Recorder: Anne Boal - Mathematical Sciences

The 2012-13 budget proposal will be submitted to The Board of Trustees for their approval during their meetings on February 23-24.

Mr. Nayer distributed handouts on the 2012-13 CAS and auxiliary budget proposals by envelopes plus a handout on changes to the margin that occurred over the winter break.

Mr. Vance announced that they had a telephone conference with members of the Finance Committee earlier this month concerning the budget proposal, and the Board members seemed fine with the general concepts of the budget. The budget includes a CAS tuition increase of 4.8%, increase in the charge for a dorm room of 3.8% and an increase of 3% for board. The net tuition revenue was discussed along with the retention rates of returning students. The proposed salary pool for CAS and common services is 2%, per the President's wishes. The proposed salary pool for the graduate school is 2% and the proposed pool for Law School would be 3%. The target for the discount tuition rate is 42%. Many items in the budget are one-time only, and not continuing income or expenses. As an example, he mentioned money released from restricted funds to general revenue to be used for financial aid for students.

The Executive Council believes that there is an element of risk in the budget for all three schools. The enrollments for both the Graduate School and the Law School are expected to decline, as they did this year. This is a national trend.

The Executive Council recommends sending salary letters to faculty members in the fall, after they know the enrollment numbers, instead of in May as usual. The plan would be to send the letters in time for the October 31<sup>st</sup> paycheck, with the new salary retroactive to September 1. The council would like to make this a permanent practice, not just for next year. This practice would allow the college to have more confidence in their income projections, which are largely influenced by the net tuition revenue and the enrollment, before promising salary increases.

Chair Bekar believes that reappointments should be announced in May or June so that faculty members know their salary for the following academic year, before the year begins. Mr. Vance thinks that other colleges will be following this trend, but Chair Bekar does not want Lewis & Clark leading the way in this practice. Chair Bekar believes that this timing of faculty raises looks bad to faculty members and implies transferring the risk to the staff instead of keeping it with the institution. He is not sure about the viability of a contract without a firm salary. This fundamentally changes the faculty's relationship with the college. This new practice was announced at a department chairs meeting last week, and several department chairs have complained to Chair Bekar about this.

Mr. Vance suggests that Chair Bekar speak with Dean Jordan about his concerns, so that a resolution can be found.

Professor Cole asked if the volatility of the net discount rate is the new normal. Mr. Vance replied that it is partly a new normal and partly the result of having an interim director of Admissions, and interim director of Financial Aid as well as a new president in the same year.

Mr. Vance will not be able to attend the Faculty Meeting next week. Chair Bekar thinks it will be important for someone to be there to explain the financial side of the issue and the timing distributing letters regarding faculty raises. Mr. Vance suggested that Vice President Atkinson would be a good person to explain these issues, though he suggested that Mr. Battistel and/or Mr. Nayer attend the meeting as well.

This committee will meet next week.