

College of Arts & Sciences
Budget Advisory Committee
MINUTES
Wednesday, December 17, 2012

Present:

Voting members: Professors Naomi Cameron, Jay Odenbaugh, Harry Schleef and Ellen Seljan

Ex-officio: Gary Reiness - Associate Dean of the College and George Battistel - Associate Vice President of Finance

Guests: Robert Nayer - Director of Operating and Capital Budgets

Absent: Voting member Matthew Johnston, ex-officio member Tuajuanda Jordan - Dean of the College and student representative - Justin Midyet

Recorder: Anne Boal - Mathematical Sciences

The minutes from the December 12th meeting were approved as written.

Mr. Robert Nayer distributed copies of the draft of the CAS proposed operating budget for 2013-14. He explained that this is a work in progress and is changing as more information is received. Right now the proposed budget is at an acceptable range, with the surplus at 1% of the net tuition revenue. This budget includes a tuition increase of 4%, a residence hall increase of 5% (which would also include free laundry service), food service increase of 2% and a discount rate of 44%. The enrollment target is 515 new first year students, and 30 transfer students, for a total student body of 2,045. The budget also includes a 2% salary increase for faculty and staff.

An updated financial aid model prepared by Mervyn Brockett was instrumental in increasing net tuition revenue by \$1M, so that the proposed budget is now at this acceptable level.

Mr. Nayer and Mr. Battistel mentioned that new initiatives, new staff and common services changes are not yet reflected in this budget. However, they expect these adjustments to be minimal, and no big changes are anticipated. In response to a question about the long term projections for the discount rate, Mr. Battistel suggested that it would be preferable for the discount rate to be reduced, gradually, to less than 40%.

There was a discussion and explanations concerning depreciation costs, reserves and endowment spending between Professor Schleef and Mr. Battistel.

One idea being considered in campus living, in order to encourage juniors and seniors to continue living on campus, is to convert part of Maggie's café into a pub. This would also appease the neighbors of the college who do not like the parade of students walking to the local stores for beer.

The bookstore is close to breaking even, which is good. The faculty, staff and students seem happy with the new bookstore, which is now run by the college. Some colleges do not expect to make money from their bookstore and see it as a service to the students. With the competition of online sources such as Amazon, it is harder for a bookstore to make a profit. Professor Odenbaugh thought that the new copying procedures for course packets would add to the bookstore's revenues, but apparently it is not significant.

Professor Schleef asked about expenses for athletics. Associate Dean Reiness and Mr. Nayer explained that athletics has added income from donors, the golf tournament, renting out the tennis dome, etc, to balance out their added expenses.

This committee will meet again next term.