

## **Minutes, Faculty Council Budgetary Affairs Committee**

### **Wednesday, April 16, 2008**

Present: Rachel Applegate, Trudy Banta, Ed Berbari, Ben Boukai, Richard Gregory, Randall Halverson, Camy Harrison, John Hassell, Greg Hull, Steven Mannheimer, Jacquelynn O’Palka, Roger Schmenner, Rebecca Sloan, Reed Smith, David Westhuis, Jack Windsor

#### **1. Approval of Minutes of the March 19 Meeting**

#### **2. Announcements – Ben Boukai**

Chair Boukai thanked the committee members for their input and unit hearings reports.

#### **3. Update on Campus Budget -- Camy Harrison/Roger Schmenner**

No school is in great difficulty. Units which have had financial difficulty in prior years did well this year.

The campus budget request will be submitted tomorrow. This is an “off-year” for the biennial budget. Tuition and mandatory fee rates cannot be changed, but lab and section specific fees may be set. Overall budget details won’t be clear until after the Trustees meeting on May 1-2.

Raises for faculty average 4.4%. Units provided merit raises, differentiated by merit, as requested. Medicine faculty will receive less, but typically have private practice income, which compensates.

#### **4. Discussion of the Presentation to the IFC – Ben Boukai**

Documents Provided

- Report on Campus Budgetary Affairs: IFC Meeting April 15, 2008
- State Appropriations and Assessments (by IUPUI School); Support RCs with State Appropriation (FY 2002-03 – FY 2007-08)
- Relative Normalized Cost (Relative to SLA) – Using the Delaware Data
- Indiana University Projected in 2006-07 Dollars (by campus): Operating Appropriations per Fall FTE Enrollment; Gross Unrestricted Fee Income per Fall FTE Enrollment; Operating Appropriation and Gross Unrestricted Fee Income per Fall FTE Enrollment

Chair Boukai summarized information which he provided to the Faculty Council on April 15, highlighting several campus budgetary concerns of the BAC and Faculty Council in recent years.

- The Indiana University Fact Book 2007-2008, produced by the University Budget Office, provides a breakdown of annual funds approved by the legislature per FTE enrolled student which distinguishes between resident health and resident general academic appropriations (see page 58 of the Fact Book).
- The University President’s office needs to consistently separate IUPUI budgetary numbers for campus “health” units from the rest of the campus, to provide a more accurate understanding of revenues and costs for the academic side of the campus. For

example, Total Academic Support expenditures at IUPUI are the highest among Indiana state-supported institutions (see page 60 of the Fact Book). In some cases, such as this, budgets for the Health Division and General Academic Division may have been “entangled”.

- Since funding by the state is steadily decreasing, it will be necessary to find substitute funding sources. The Enrollment Shaping Initiative aims to increase the number of out-of-state students.
- A detailed breakdown is needed for expenditures of campus CTE funds, as provided at the Bloomington campus.
- CTE funds at IUPUI were used in student-centered programs, while IUB programs focused upon research, program development, and new tenured faculty budget lines. Could the later approach yield a greater long-term “ROI” for the IUPUI campus?
- The campus faces the challenge to articulate its boundaries in regard to new initiatives such as distance learning.

## **5. Wrap-Up Discussion of the Planning and Budget Hearings**

## **6. Talking Points and Priorities for the Annual BAC Report and the Chancellor**

Banta and Schmenner

- It is necessary to provide input to the Chancellor considerably earlier than April 1 to take advantage of campus decisions regarding resources “in play” within the next fiscal year campus budget, even in “off-years” of the biennial budget, like this one. This year, pro-forma were given to the Schools in mid March.
- The committee could informally express concerns to the Chancellor prior to the hearings, noting that a short report provided early in the budgeting process can have more impact than a longer, formal report turned in later. Unlike in the past, prior to the hearings members of the BAC and Planning Committee now receive all documentation submitted by units.

Committee Discussion

- Committee members noted that it is critical for budget hearings to be held early in the new calendar year, in order to provide timely input to the campus.
- It may be helpful for the committee to use the fall semester for a backward look at campus and unit needs, in order to determine how to more effectively give input to the campus early in the spring semester.
- Ideally, the committee’s report will include 4-6 specific recommendations for the Chancellor.

Respectfully submitted,  
Randall Halverson, BAC Secretary