

Minutes, Faculty Council Budgetary Affairs Committee

Wednesday, March 19, 2008, UL 1116

Present: Rachel Applegate, Simon Atkinson, Trudy Banta, Ed Berbari, David Bivin, Ben Boukai, Randall Halverson, Camy Harrison, John Hassell, Steven Mannheimer, Jacquelynn O’Palka, Roger Schmenner, Gautam Vemuri, Jack Windsor

1. Approval of Minutes of the February 8 Meeting

2. Announcements and Briefing – Ben Boukai

Document Provided: James Johnson spreadsheet template for use by departments, providing Net Total Program Expenditures, Average Gross Expenditure per Credit Hour, and Net Income.

As mentioned at the committee’s February meeting, there is insufficient discussion and understanding on campus of costs per unit. It would be helpful to get an overall sense of costs and fees that a department has to account for. For example, what is the cost to provide a credit hour of instruction in English versus Allied Health? Acknowledging that committee members are generally not trained accountants, it would be helpful if the committee and members could review reports providing concise, meaningful data allowing them to effectively compare units, and thereby truly be able to advise regarding budget decisions.

Questions from the committee:

- Could unit fiscal reports be provided which would be similar to reports filled out for grants?
- Would it be possible for the campus to provide current (real time) budget data?

Suggestions from the committee:

- Overhead costs are more difficult to take into account, but can be “held constant”, in order to evaluate likely financial trends as a department grows.
- Could we add lines separately listing faculty compensation and staff compensation?
- Also of interest: budgeted FTE, and separate headcounts for undergraduate and graduate students.

3. Community Learning Network (CLN) Proposal – Roger Schmenner

Documents Provided:

- Fiscal Health: Community Learning Network
- POINT PAPER for Dean’s Council Meeting on March 19, 2008

This proposal would expand the network and offer degree programs. In the past, there were centers at Glendale and Carmel High Schools. This proposal, funded by moving as of Fall 2008 to a per credit hour academic program fee retained by CLN, would allow CLN to expand, while sharing increased tuition revenue with campus academic units. A percentage-based per credit hour CLN fee of 7.5 % is recommended to replace the current fixed fee, held constant at \$7 per credit since Fall 2000. The 7.5% fee would raise an estimated \$16.33 per credit hour in Fall 2008.

Committee questions:

- Would an expanded CLN network with more course offerings cannibalize other campus credit hours? Schmenner: no, these are really new credits. Committee members pointed out that this is unclear and may require additional data or study to verify.
- With the new CLN fee, would assessments to cover the program drop? These have risen considerably in recent years. This is not clear. Some CLN funding is through the general fund.

4. Update on Campus Budget -- Camy Harrison

Documents provided:

- IUPUI Operating Budget FY 2008-09 Proforma
- Salary Policy for 2008-09—All Fund Groups
- IUPUI Budget Issues FY 2008-09

Relatively few schools are “in the red” this year. Total credit hours are looking good for the year. There will be a 5% increase in tuition. Applications and admits for the fall are higher, with an increase seen in numbers of traditional students. The next trustees meeting will be May 1-2.

Each Responsibility Center (RC) unit will receive its School-specific “pro forma” this afternoon. The pro forma is up 2% for the campus. An equal spread is not acceptable for salary increases for faculty and professional staff. This year’s salary policy mandates justification by Deans if individuals receive more than 8% or less than zero. A two-step process is required to approve exceptions. Each unit will be free to allocate raises for staff as appropriate.

The “President’s Tax” is being implemented for the first time. This year’s cost of \$0.5 million is less than anticipated.

5. IUPUI Library Budget – Discussion Item

Documents provided:

- Memo: To IUPUI Faculty Council Budgetary Affairs Committee
From: Library Affairs Committee, IUPUI
Re: Irregular Growth of the University Library Budget
- Fiscal Health: University Library
- Proposal for the University Library Materials Budget—2008-09/ to 2012/13

David Bivin, chair of the Faculty Council Library Affairs committee, reviewed points made by a memo from his committee, expressing “...concern with several aspects of the university’s budget allocation to the University Library.”

- Cumulative growth in IUPUI’s operating budget of 17% over the time period 2003-2007, versus cumulative growth in the library’s budget of only 13%.
- For a typical library, costs for journals have increased 38% since 2003. “Inasmuch as serial subscriptions constitute 53.3% of the library’s materials budget, this inflation has resulted in a serious drain on the university’s purchasing power.”
- Members of the committee “...implore the university’s budget authorities to give special consideration to a one-time increase in the budget that will restore the library to the position it held vis-à-vis the library in 2003.” An “...alternating cycle of rapid and negative growth substantially complicates the library’s internal budgeting process. We are requesting therefore that a procedure be initiated at the university level to insure that the library’s budget grow at a more regular rate, perhaps the same rate as the university’s overall budget.... “

University Library Dean David Lewis will be asked to provide more information about significant overall library fund balances consistently remaining at the close of fiscal years (see Fiscal Health: University Library reporting line: Total Fund Balance).

Next Meeting: Wednesday, April 16, 12:30 – 2:00 p.m., UL 1116

Respectfully submitted,
Randall Halverson, BAC Secretary