

## **General Faculty Meeting**

October 21, 2015

A General Meeting of the Faculty was held on October 21, 2015 in the Jardine Room of the Lombardo Student Center and began at 2:04 pm.

The following members of Faculty Council were in attendance: Barbara D'Ambrosia (chair), Mindy Peden (vice chair), Gerry Guest (secretary), Medora Barnes, Mary Beadle, Larry Cima, Gwen Compton-Engle, Roy Day, Jeff Dyck, Kristen Ehrhardt, Tina Facca-Miess, Jean Feerick, Simon Fitzpatrick, Brendan Foreman, Nathan Gehlert, Dwight Hahn, Sharon Kaye, Dan Kilbride, Annie Moses, David Shutkin, Elizabeth Stiles, Mariah Webinger, and Tom Zlatoper.

The following members of Faculty Council were absent: Scott Allen and Peifang Tian.

The exact attendance of the meeting was not taken but clearly exceeded the necessary quorum of 40.

The agenda for the meeting was distributed in advance via email.

### **Minutes**

#### **I. Chair's announcements**

A. Minutes from the Faculty meeting on September 30, 2015. No changes were offered; the minutes were taken as approved.

B. Next Faculty Council meeting: Wednesday, November 4.

C. Next General Faculty meeting: Wednesday, November 18.

D. Anthea Sweeney, HLC liaison, is visiting campus on October 30. There will be an opportunity for faculty to meet with her.

E. Dissolution of the Faculty Council Committee on Revenue and Spending (October 7 Faculty Council meeting). For more information, see the minutes from that meeting.

F. Upcoming campus-wide vote of endorsement on the strategic plan. After final editing, the plan will go out to the entire campus community for a vote of endorsement. This is not a separate faculty vote. The draft will contain goals and objectives; action steps will be developed over time.

G. Human Resources Policy Review – the first five policies are available for review; the comment period closes on November 17 (<http://inside.jcu.edu/2015/10/19/human-resources-policy-review/>).

H. Canvas discussion about faculty evaluation process – closes at 5:00 p.m. on Monday, October 26. This is a pilot discussion for the new Canvas discussion format.

II. Annual Report to the Faculty by Richard Mausser, Vice President for Finance, on the Financial State of the University, followed by questions and discussion.

Note: Mausser's PowerPoint presentation is available on the Canvas course "Faculty Business – Sensitive."

Mausser began his discussion with a consideration of our operating budget. In May the Board of Directors rejected the budget that was submitted to them because of a \$900,000 deficit. The budget was reworked during the summer to eliminate the shortfall.

In 2014-2015 our deficit was \$1.096 million (\$800,000 was the predicted figure). This summer's revised budget for the current year ended up projecting a surplus of \$315,000. That budget was based on a freshman class of 800. In actuality, the class is 761 but the expected tuition revenue for the class matched the prediction because of a reduced discount rate. It does, however, mean less money brought in from room and board. Overall, there was a \$500,000 shortfall in tuition revenues based on what was expected. The main reason was that we had fewer "9<sup>th</sup> semester" seniors than expected. There was also a significant fall off in graduate enrollments. These factors ended up canceling out this year's \$315,000 predicted surplus. The forecast for this year, therefore, is tight; we are at break even.

Our endowment is currently at \$195 million (from a peak of \$205 million); we have \$76 million in debt.

Mausser then turned to presubmitted questions.

Will there be no raise pool for the next three years? Mausser responded that this year's amount for raises next year has not been determined. Jeanne Collieran added that it is too soon in the academic year to have that number.

How does our use of adjuncts compare to recent years? This semester we have 220 adjuncts teaching 312 courses; the total cost is \$1.12 million. Fall 2013 costs were \$1.137 million; fall 2014 costs were \$1.259 million.

How much did the HLC disaster cost JCU? We lost perhaps 25 freshmen, which can be translated to about \$400K. We spent around \$100,000 on consulting experts. Program reviews will cost about \$200,000. New staff will cost about \$150,000.

How much was cut from the budget? Last year's deficit was \$1.1 million. New net revenues were around \$2 million. New operating costs were identified as around \$3 million. These add up to a deficit of \$2.1 million. The \$3 million in new costs include faculty raises, staff raises, medical premiums, new hires, Murphy debt, electricity, HLC and more. None of these are strategic initiatives, except costs relating to investment in our accreditation issues. During the reworking of the budget in the summer, cuts were made. \$2.415 million was removed/reallocated. \$950,000 came from academics, which is 2.6% of the divisional budget.

We will have to keep going through this process of prioritization and reallocation. The Task Force on Strategic Budgeting has already begun to look at our budgeting process. Our goal for next year is to have the budget approved by the Board at its March meeting.

Sheila McGinn asked why 800 students is the freshman target for budgeting purposes. Wasn't 750 the previous target? Colleran replied that 750 would require us to have tough conversations about cuts.

III. Direct admit of incoming freshmen into BSOB – introduction by Jeanne Colleran, Provost and Academic Vice President.

Colleran presented the possibility of implementing a direct admit model to Boler as a necessary change. Our current lack of direct admit harms our competitiveness. Standards of admission will not change if direct admit is implemented. Declaration of majors remains the same. The Boler School wants this, and it will help boost our competitiveness. Currently, one-third of entering students want to study business. Most of our peers and competitors have direct admit. Without it, we are losing the opportunity to enroll high-achieving students.

Faculty has responsibility for standards of admission but not the admissions process. Can this be considered a change in process and not standards?

Barbara D'Ambrosia asked for a clear definition of direct admit. Brian Williams responded that a student is admitted to a school but has not declared a major.

Malia McAndrew asked how would it affect advising. Alan Miciak and Maryclaire Moroney pointed out that Boler faculty are already advising the pre-Boler students.

Edward Hahnenberg asked how would it affect the admissions process. Brian Williams responded that it would be informed by the Provost and Deans; there is not a more concrete answer at this point.

Mindy Peden asked if this would cause CAS students to have more difficulty in enrolling in Boler courses. Jeanne Colleran responded that this already a problem that needs to be addressed.

Brendan Foreman noted that this model would potentially change the character of the freshman class.

In closing Barbara D'Ambrosia suggested that the Provost and others might craft a short description about how this process might go forward, and the faculty could discuss it on Canvas.

IV. New Business – none

V. Adjourn – the meeting was adjourned at 3:18 pm.

Respectfully submitted,  
Gerry Guest  
Faculty Council Secretary