

Draft Minutes: Faculty Council Budgetary Affairs Committee

Thursday, November 16, 2006

Present: Rachel Applegate, Trudy Banta, Terry Baumer, Bob Bennett, Ed Berbari, Ben Boukai, Peg Fierke, Randall Halverson, John Hassell, Robert Hickey, Ann Holmes, Steve Mannheimer, Robert Martin, Keith Moore, Keith Morran, Evan Morris, Jacquelynn O'Palka, Robert Sandy, Uday Sukhatme, Rosalie Vermette

1. Minutes of October Meeting

Chair Boukai opened the meeting and welcomed the committee. The minutes for the October 5, 2006 meeting were presented and approved.

2. Campus Action Plan and Budgetary Implications: Executive Vice Chancellor (VC) Uday Sukhatme

Executive VC Sukhatme provided an update regarding the development of the "Academic Plan for Implementing IUPUI's Mission: Action Items to Consider". Each of the action items is being reviewed by a small team. Recommendations and budgetary consequences or needs will be provided for each. Sukhatme commented regarding certain action items and related topics:

- Re: Goal #1 Excellence in teaching and Learning
Scholarships; how can we do more to identify students in the system who are doing well and provide support for them? For example, researchers who receive NSF or NIH grants may often be able to obtain funds to support undergraduate research. We currently offer two six-week programs; we could expand these to a full three-semester offering. Scholarship support (e.g. for books or a tuition rebate for the subsequent year) may be needed by students who forgo job earnings to attend these programs.
- Re: Goal #2 Excellence in Research, Scholarship, & Creative Activity
Multidisciplinary cooperation. The centerpiece of this goal is the Signature Centers. The campus response is encouraging. To date, 71 proposals have been received; about 20 are from existing centers which would like to do more. \$300, 000 in seed money is available, which is sufficient to fund a group of proposals for three years. External funding will be sought to fund some projects which are attractive to donors, such as enhancement of study abroad programs.
- Recruitment of more out-of-state and international students. These students provide increased revenue and can be part of adding more diversity and excitement to the campus curriculum.
- Distance education. Units offering programs should compare their cost structure to that of other institutions to avoid "leaving money on the table".
- Campus remote sites. These are a good way to allow students to complete their degrees and to expand the recognition and presence of the campus. The campus is looking at new sites for the south and west sides of Indianapolis.
- Re: Goal #4 Enhancement of the Resource Base
Summer academic programs. The campus has many "conditional admit" students, who often don't make it through the first year. These could be admitted as non-degree admits, who would receive intensive summer English and math preparation. This approach could improve our retention rate and use our spare classroom space in the summer. One consideration; a committee member commented that a student must be a full-admit to be eligible for financial aid.

The committee discussed the use of revenue from summer programs to fund full-time faculty, thereby enhancing the academic experience for summer session students. In the past, faculty salary caps have prevented units from funding summer session instruction by full-time faculty. Members pointed out the incentive for deans to save money by hiring adjunct faculty. Another noted that this provides an example

of contradictions in campus goals which can arise, such as the RCM goal of controlling costs versus the goal of improving student retention.

3. Proposed By-Law Amendment Concerning the Charge and Role of the IUPUI BAC

See document: “Charge of the IUPUI Budgetary Affairs Committee: November 16, 2006” Draft [Copied on orange paper]

William Plater has encouraged units to have faculty budgetary committees. It’s not clear if a specific, consistent charge was provided to the unit committees. Discussion focused on ways to strengthen the ties between the FC BAC and unit budgetary committees in order to develop more faculty expertise in budgetary issues. Suggestions to “empower” unit budgetary committees included:

- Look at whether unit committees function as a means for unit faculty to contribute to the process of setting budgetary priorities. The Academic Affairs committee looks at implications of unit proposals for new academic programs. Should the BAC seek feedback regarding the process of unit committees?
- Look at whether frankness of discussions is affected if unit administrators attend the meetings.
- Provide a means for unit committees to share insights with their counterparts at other units regarding questions such as how to accomplish priority tasks.
- Look at how FC BAC members are selected. Members could be selected from unit committees or their chairs. Some campus units, such as Law and Columbus, are currently not represented on the committee.

The committee voted to approve the amendment to the charge of the BAC. Final approval by the Faculty Council is required.

[Update: The amendment was passed unanimously by the IUPUI Faculty Council (IFC) on March 6, 2007. Details are provided on page one of the IFC Meeting Summary; see: http://www.iupui.edu/~fcouncil/minutes/3-6-07_summary.htm]

4. Planning for This Year’s Hearings

A sign-up sheet was provided, allowing members to indicate their preferences to attend spring unit hearings. **Please email the chair regarding your preferences.**

See document: 1-page “Fiscal Health: summaries by unit,” dated 9/29/06. Not all units are represented; for example, a report was not available for UITs. Please examine these summaries to obtain a sense of unit priorities. This information may be helpful for BAC unit reviewers, who otherwise only see data for their unit.

The campus has not yet determined whether reallocation funds funding will be available for unit to submit new initiative proposals.

A member commented that faculty from his unit have expressed concern regarding the cost to academic units of assessments. He pointed out that some service units have had considerable increases in their budgets over the last five years, while the increases of others are nominal. A suggestion was made that the committee focus on service units [reports copied on blue paper] with substantial budget growth, to see if these units have provided additional value to academic units. In the past, hearings conducted for service units having complex missions and multiple programs, there has been little time for questions.

5. Further Talking Points for the BAC

(See 2-page handout for the full text of questions): “IUPUI Budgetary Affairs Committee 2006-2007”

- Question topics forwarded to Deans and Directors of RCM Units in preparation for the hearing:
 - Doubling goals

- Diversity
- Campus Collaboration
- International scholarship
- Internationalization of curriculum
- Student technology fee
- Last year, the BAC also included the following questions concerning Finances and Planning processes:
 - Internal planning and budgeting process
 - Financial trends and restructuring
- Concerns and Recommendations from last year's BAC:
 - Inclusiveness (hearings for all RC units)
 - Faculty Involvement
 - Timeliness
 - Uniformity of Reports
 - Reserve

The committee discussed other possible questions for the upcoming hearings:

- Are units drawing down their reserve funds? (Discussion indicated that units would need administrative approval to borrow or use reserve funds.)
- What are your long-term financial commitments, what additional commitments do you anticipate, and how much money is entailed?

6. Report by V.C. Martin regarding the campus budget request and recommendation for funding by the Indiana Commission for Higher Education (ICHE).

The ICHE coordinates and forwards budget requests from the state's public institutions of higher education. The commission is developing funding incentives which rewards growth in parameters such as research dollars, student FTE, degree production, and time to degree.

For 07/09, the commission recommends full funding of R&R; this funding level "repays" the remaining 60% of the one-month appropriation previously withheld. The two highest priority special initiatives for IU are funded, including the Life Sciences Initiative. Funding is provided for a Neurosciences Research Building, to be located at 16th St. and Senate.

Unfortunately, as in the last biennial budget, there is no increase in plant expansion funding, which will be needed when the Student Center and Medical Information Sciences building are completed. Without this funding, these new costs will become part of the operating expenses of the campus.

The commission seeks a President's Tax of at least \$10,000,000. For the IU system, this is expected to be a tax of about 12% based on the budgetary growth for the previous year. A committee member pointed to the contradiction in providing incentives for growth while taxing growth for the Presidential fund. Could the 12% tax eliminate the benefit from the incentives?

Note: Proposed BAC Meeting Dates for Next Spring. **Please respond to Ben and Patti Holt regarding your availability:**

- Wednesday, January 24, 12:30 p.m. OR Thursday, January 25, 12:30 p.m.
- Wednesday, March 21, 12:30 p.m. OR Thursday, March 22, 12:30 p.m.
- Monday, April 23, 12:30 p.m. OR Tuesday, April 24, 12:30 p.m.

Respectfully submitted,
Randall Halverson, BAC Secretary