

The College of William and Mary
Minutes of the Faculty Assembly Meeting
October 22, 2002

Faculty Assembly **President Robert Archibald** opened the second meeting of the Faculty Assembly of the 2002-2003 academic year at 3:35pm.

Members present: Robert Archibald, Jonathan Arries, Debbie Bebout, Liz Canuel, Bob Diaz, Dot Finnegan, Nancy Gray, Keith Griffioen, Bill Hawthorne, Lu Ann Homza, Martha Houle, John Lee, Scott Nelson, Roger Ries, Ron Rosenberg, Margaret Saha, Laurie Sanderson, Larry Ventis, Wanda Wallace. Absent: Colleen Kennedy,

The minutes of the September 24, 2002 meeting were approved after noting that the vote on the amendment to change the wording in the Information Security Policy Statement from "may not" to "shall not" received one dissenting vote as opposed to being unanimous.

Prof. Archibald announced that Vice Provost Gary Krepps has learned that the Information Security Policy Statement that the Assembly approved in September has been approved by the Commonwealth Attorney General with no follow-up questions. The Policy will be proposed at the November meeting of the Board of Visitors.

I. Administrative Reports

Provost Cell announced that she would provide the members with an update on the budget situation in place of Vice President Sam Jones, who could not be present. After distributing a four-page overview that included Budget Principles, a chart displaying the Three Waves of Budget Cuts (December 2001-October 2002), a pie chart demonstrating the Reduction Allocations to the FY03 Budget, and a list of College Options to Offset Reduced State Support, the Provost indicated that final decisions have yet to be made. The Administration is gathering considerable advice from various sources: the Budget Policy Advisory Committee (BPAC), emails, and from students, faculty and staff. The BOV Finance Committee will hold an open meeting on Thursday, 31 October at 2pm.

Provost Cell first discussed the Budget Principles: protect the classroom experience; maintain college's size and scale; look to all areas of college operations; to the extent possible, protect our employees; take permanent rather than one-time actions; recognize the College's market value; maintain fiscal integrity. These principles, although similar, are not identical to last year's; rather they emerged from within the discussions of specific options during BPAC meetings this year. For example, BPAC members decided not to increase the student enrollment, for which the physical plant and staff would not be adequate and would damage the William and Mary educational programs and opportunities as well as the faculty. Increasing the student body by 100 would strain the current resources; the return on an increase of 500 students would be too little to justify the expenses necessary to support an expansion. BPAC also looked beyond the E&G budgets to the auxiliary budgets even with the firewall. This year inevitably one time actions have to be taken since we are already four months into the new fiscal year, \$6.9 million had already been taken out of the budget, and now another \$4.9 million must be reduced. The summer research program is one example of unexpended funds available for a one-time recision; the intent is for the program to be reinstated next year. The principle of recognizing the College's market value is

related to revenue-producing actions, such as tuition. The plan submitted to Richmond could not include tuition plans, but now we can consider such actions. Finally, the Provost paid Sam Jones a compliment by saying that include him and one gets "maintain fiscal integrity", meaning balance the budget, meet payroll, etc.

The Provost then presented the graph outlining the various rescissions that the College has undergone since December 2001. We had to reduce the FY-02 budget by \$1.475M in the last month of 2001. Then, the FY-03 proposed budget was reduced by \$6.909M and the FY-04 budget by an addition \$8.841M in April 2002. Now we are reducing the current (FY-03) budget again by \$4.893M and the FY-04 budget must be reduced by another \$5.796M. In other words, the amount of money that the College could have spent (had it not been returned to or taken by the Commonwealth) amounts to \$27.914M.

Provost Cell also demonstrated the actions taken last year to anticipate balancing the FY-03 budget as a result of the reductions. They included a 9% increase in tuition, the elimination of faculty and staff positions, reductions in faculty research support, operating expenses, library material expenditures, outreach activities, and the equipment trust fund allocation (a pass through). Additionally, most of the operating budget expenses of the museum were shifted to private sources (with even more reductions in the support of the museum in the near future).

Finally, Provost Cell discussed the options that are being discussed to offset the reduction of the support by the Commonwealth. They do not represent any final decisions. The reduction of operating expenses (spring term adjunct faculty not under contract or in critical areas, library materials, operating budgets) is already in motion, although they are not official until the BOV approves them. The other options include furlough or reduce faculty and staff salaries, eliminate faculty and staff positions, restructure or eliminate programs (administrative not academic programs), reduce service levels, raise tuition with an associated increase in financial aid. In this last case, "we need to do the best we can not to close out students from coming to William and Mary because they can't afford it." "I am sure we will not under normal circumstances be able to fill the \$1.6 or 7M hole, but we will try to come as best we can to holding the students harmless. In other words, proportionately we will increase financial aid."

The Provost invited questions. When asked to amplify her comment that the additional budget cuts for the next fiscal year would not be accommodated without faculty or staff cuts, the Provost explained further that tuition, assuming some latitude on tuition increases in the future, would affect any actions. However, she cautioned that the legislature could become concerned if tuition escalates too much. The administration has been focused so much on this fiscal year that plans for next year have not been determined. They are not sure that staff layoffs and a reduction in faculty positions will be necessary. The Provost reminded everyone that tuition policies are the responsibility of the BOV. She informed the meeting that many students, while concerned about tuition increases, believe that the quality of their education must be protected even if increases are necessary. They are clearly concerned about protecting and maintaining the faculty.

When asked about Faculty Research Assignments for next year, the Provost reiterated that next year's budget has yet to be tackled. The subject turned to adjunct faculty. Does the elimination of adjunct faculty positions refer to one-year replacements? The Provost indicated that

adjunct faculty means people who teach a course or two. When asked about the effect of a significant increase in tuition (e.g., University of North Carolina at Chapel Hill and George Mason University) on the number and quality of applications, the consensus seemed to be that applications continue to rise at these institutions. Demographically, more students are in the pipeline. Given our policy of no growth, we must remain aware of the population trend. The administration was commended for including an increase in financial aid along with the increase in tuition.

The Provost was then asked about the faculty size; positions were lost permanently last year and now searches are on hold. She explained that some searches are on hold, but some are proceeding under the advertised wording of “anticipated” in case some searches have to be stopped. Should we be planning for a permanent reduction in the faculty size? The Provost replied, “I would hope not. It depends on Board approval of this tuition increase [\$400 in January added to base cost] and the tuition increase for next year. I would like to maintain the current student/faculty ratio.” She explained further that if further reductions in faculty size is required, then we must engage in strategic thinking about moving position around the College to meet enrollment and programmatic needs, possibly across constituencies. “We are nowhere near that yet.”

The issue of cutting the auxiliary budgets, especially athletics was raised and a detailed discussion ensued. A tactic being examined is reducing auxiliary fees to balance the tuition increase. However, auxiliary budgets have a lot of constraints (debt service, out-sourced contracts, and financial aid for athletes) and it appears that much can be accomplished in terms of reducing many of the auxiliary budgets, especially since some of the money is restricted. The reductions in the athletic budget are probably not equivalent to the reductions in the E&G budget. A discussion of football and the other athletic teams ensued, covering reduction in number and size of team(s), title IX issues, and especially the size of the athletic fee. Students appear now to be scrutinizing the components of their educational costs rather than merely the bottom line; their concern about the size of the athletic fee is rising. The differences between and requirements of belonging to various athletic leagues were compared.

The discussion shifted to the faculty research funding. Faculty care about the initiatives to grow the budgets and to provide seed grants. Is there something that Faculty Assembly can do to convey the loss to faculty and student research as a result of the cuts? The Provost is very well aware of the importance of the research support. Hopefully, the program, at least the summer grants, will be reinstated for next year. “We will get it back again.”

Several questions concerned the ratios of in- and out-of-state students, including athletes. The Provost discussed the ratios with respect to the College’s decision not to grow, the apparent lack of movement in this area by other state institutions, the rise in the number of students demographically, and the potential for an adverse response by the legislature. We are moving very cautiously in this area.

The issue salary cuts and furloughs was raised. No decision has been made at this point. The Provost explained that salary cuts would not be permanent; cuts are only being considered in the context of the current year and not beyond this year. Next year we will have to do different things to reduce the budget by the required amount. If salary cuts and furloughs occur, the reductions would be distributed out through the year and not occur in one pay check. The

Governor took the potential for salary increases off the table for next year, so this is not something that we really want to do.

The income from the Bookstore was questioned. The Provost explained that the profit realized above the money due to Barnes and Noble via the contract is funneled into financial aid. Sales are increasing given the location, but we now pay rent for the building in addition to the contract. Is the new \$21M donation going to help with financial aid? The money is earmarked for a merit-based program and a gift made over time with a relatively small piece of it in the near future, more paid out during the life of the campaign and the rest as a bequest.

Two final questions were asked. Has the public relations value of faculty taking teaching days off as a result of lost pay been examined? Yes. Has the support for FRAs been reduced from 80% to 50%? No. The Provost was thanked for her report.

II. Standing Committees

A. Executive Committee

Prof. Archibald reported for the Committee. After the Committee set the agenda, it was discovered that **Vice President Anna Martin**, the relevant person to speak with the Assembly about the parking garage was not available today.

Related to this issue, Prof. Archibald announced that a petition is circulating among the faculty to try to stop the parking garage. To date, 233 faculty and staff members have signed, although some departments have not submitted their signatures. It is important for the Faculty Assembly to air all of the issues regarding the parking garage. Prof. Archibald has called a Special Meeting of the Faculty Assembly on October 29. Vice President Martin will attend. One issue of concern is the increase in expenses to build the structure; the BOV approved \$7.3M, but the assessed fees have been determined on \$10.8M. Before the administration asks the BOV to approve the increase, the Executive Committee decided to host a special meeting to discuss the issue.

Prof. Keith Griffioen, chair of the Committee on Planning and Resources (COPAR), presented an overview of the parking garage issues. Issues to be questioned include: the reasons for the increase in cost (related to the structure itself and the relocation of the police and parking departments), the loss of spaces due to the building of the new business school and from the Millennium Gate, the wisdom of building a \$10M garage that gains only a few additional spaces, the possibility of the building projects bearing the cost of the garage, the potential increase in and a possible salary graded taxation plan for the parking fee, and the possibility that parking is no longer a problem.

Prof. Archibald asked the representatives to talk with their colleagues and to urge them to come to the meeting to gain information and dispel rumors about the parking garage.

B. Faculty Affairs Committee

Prof. Scott Nelson, chair, related problems in scheduling a meeting, but will try again.

New Business

Prof. Wanda Wallace asked if any decision had been made about the Faculty Presentation to the Board of Visitors. Liaison Committee Chair, **Prof. Ron Rosenberg**, received one suggestion to focus on faculty research in reply to his query to the Liaison Committee for ideas for a presentation. He asked for additional ideas. A discussion ensued concerning Prof. Wallace's idea about the sharing with the BOV the benefits of faculty research on student learning and achievement. Prof. Wallace will work with Prof. Rosenberg to develop the idea. **Prof. Roberts**, sociology (a guest), asked if this were not an opportunity for the Assembly representing the Faculty to talk with the Board directly about the budget. Prof. Archibald explained that the timing of our presentation within the agenda (before or after the financial discussions) tends to determine the content of our presentation. A short discussion, prompted by guests, transpired about the Assembly's relation to the Board and the Board's understanding of and concern for the situation of the faculty given the budget cuts.

The meeting was adjourned at 5:12pm.

Respectfully submitted,

Dorothy E. Finnegan, Secretary