

Minutes, Budget Committee of Academic Senate

Meeting of April 28, 2008 (as approved June 16, 2008)

Present: Michael McIntyre (chair), Donald DeGracia, Charles Elder, Rob Kohrman*, Winston Koo, Frederic Pearson, Robert Ross, Linea Rydstedt, Assia Shisheva, Lothar Spang, William Volz, and James Woodyard.

Absent with Notice: Richard Elling, Charles Parrish*, and Lou Romano.

Invited guests: Nancy Barrett, Provost; Susan Burns, Vice President for Development and Alumni Affairs; and John L. Davis, Vice President for Finance & Facilities Management.

*Liaison

1. The meeting convened at 11:03 a.m. The minutes of the meeting of March 3, 2008, were approved without objection.
2. *Funding for Development Office.* The chair expressed disappointment that the Administration had failed to provide the committee with the information that it needed to consult with respect to the plans for funding the Development Office. He noted that the resolution passed by the Budget and Finance Committee of the Board of Governors (BOG) had indicated that the funding plan was adopted provisionally, subject to consultation with the faculty. He then asked Vice President Burns to explain what was happening and asked if she was willing to answer questions from the committee. A lively discussion followed. At the conclusion of that discussion, it was agreed that the Administration would provide the needed budget information and that members of the Administration and the Budget Committee would meet to formulate recommendations concerning the funding of the Development Office.
3. *Summer School Funding Plan.* The chair had circulated to the committee the various documents relating to the proposal for funding the summer school, including minutes from the meeting of the BOG's Budget and Finance Committee in which the Administration promised to consult with the faculty on this issue. Provost Barrett and Budget Director Kohrman indicated that they were not yet ready to consult because they were still in discussions with the dean of the College of Liberal Arts and Sciences. Various members suggested that consultation should take place before the Administration has set its policy in concrete. One member summarized some of the perverse incentives created under the summer school funding model. The chair noted that the Administration has revised its plan so that the Schools and Colleges were unlikely to suffer losses. Mr. Kohrman invited the member who expressed concerns about the funding plan to provide him with an email stating his objections. A member requested that the Administration provide the committee with the proposed guidelines for summer school expenditures. Mr. Kohrman indicated that he would provide them to the committee.

4. *Building Projects.* Vice President Davis, at the request of the committee, gave a summary of the following building and relocation projects: (1) State Hall; (2) the move of Anthropology to FAB and the Urban Studies Center to AAB; (3) the FAB renovations, including new carpeting; and (4) the status of unspent money left over from the bonding for renovations of the Chemistry Building and Scott Hall. Mr. Davis noted that the move of Anthropology from Manoogian was needed to provide additional space for various language departments and was financed with gift money. The move of the Urban Studies Center cost around \$145,000. The FAB renovations cost around \$140,000 and were paid out of the depreciation reserve. Around \$1.5 million was left over from the renovation of the Chemistry Building and Scott Hall. That money must be used, according to Mr. Davis, for research buildings, due to the conditions included in the tax-exempt bonds.

5. *Parking Fees.* A member noted that he was serving on a committee to look at the fees for parking. He indicated that he has had some difficulties getting full and timely information from the Administration on matters essential for useful consultation. The chair noted that he also has had difficulties this year in getting timely information on many issues before the committee. Various members noted that information needs to be provided in advance of meetings for consultation to be meaningful.

6. *Enrollment Model.* The chair again asked Budget Director Kohrman to provide the committee with information on the model he was intending to use to estimate enrollment. Mr. Kohrman indicated that the Administration had not yet finished developing its model.

7. *Medical School Tuition.* Provost Barrett indicated that the Administration was bringing a proposal to the Board of Governors (BOG) to set the increase in tuition at the School of Medicine (SOM) at 3.9%. She stated that this early announcement was made at the request of the BOG, which was responding to medical student complaints. The Provost indicated that tuition at the SOM was already high and that the tuition increase there should not be viewed as an indicator of what the tuition-increase request will be for the University generally.

8. *Direct Lending Program.* Vice President Davis noted that the Administration was bringing to the BOG a proposal for directly managing financial aid. The University was one of many universities that had received bad publicity for their use of third parties, due to the extra costs to students. The Provost indicated that steps would be taken to try to avoid problems in the administering of the direct-lending program. The main problem is that current students are familiar with the old system and not with the new system. The chair noted that the Financial Aid Office has had serious management problems in the past. He also noted that he had opposed the use of third parties to manage financial aid when that matter was brought to the BOG some years ago. A member asked if the Administration could provide data showing the total amount of financial aid received by Wayne students from all sources.

9. *Renovation of State Hall.* Vice President Davis gave a brief summary of the plans for renovating State Hall. The chair noted that he had heard reports that the roof of State Hall was leaking and asked about plans for fixing the roof. Mr. Davis indicated that he had been unaware of the roof problems until very recently and that its repair was not part of the proposed project. He indicated, nevertheless, that the roof would have to be fixed soon. He suggested, however, that it might not get fixed until the fall, due to the delays in getting bids and otherwise arranging for contractors. The chair noted that the fourth floor has problems with tiles as a result of the flooding from the leak in the roof and that the tiles probably present an asbestos problem. Mr. Davis indicated that he understood the need for fixing the roof quickly. He noted, however, that the present funding did not include amounts for fixing the fourth floor. He said that he expected State Hall to remain open all summer.

10. *Second Quarter Report.* Due to time constraints, the committee simply noted that the Second Quarter Report was being submitted to the BOG.

11. *Rackham Renovations.* The chair noted that the large sums being expended to renovate the Rackham building were troubling, given that the University's lease of the building runs out in around 11 years. the Provost noted that the renovations are important to the departments housed in that building.

12. *Adjournment.* The committee adjourned at 12:17 p.m.

Michael J. McIntyre