

Council on University Planning and Budget
March 7, 2014
2:00 p.m.
Booth Library 4515 and 4456

Subcommittee Reports

2:00 p.m. The entire 2 hours will be used for subcommittee meetings in the following rooms:

Reports from Subcommittees

1. Academic Affairs, Room 4515

Submitted by Anita Shelton

Present: Assege Hailemariam, Mahyar Izadi, Allen Lanham, Gloria Leitschuh, Darlene Riedemann, Anita Shelton. Non-voting member Blair Lord.

Absent: Jon Blitz

Guests: Samantha Bilharz, Georgia Ryan, Jack Cruikshank, Stephen King, Charles Delman, Jose Rosa.

The meeting was called to order at 2:09.

After introductions, Dr. Leitschuh announced that the first hour of the meeting would consist of each committee member briefly presenting, uninterrupted, his or her suggestions for the subcommittee recommendations. The second hour would be devoted to a general discussion of all the suggestions with the purpose of finding consensus on recommendations for the subcommittee to take to the CUPB as a whole.

Dr. Lanham presented his list first. It was divided into four parts: Academic Departments, Academic Affairs, Outside Academic Affairs, and Eastern Should. In part 1, Dr. Lanham suggested filling Unit A faculty loads where possible (up to 24 cu's) to reduce costs for Unit B obligations; adjusting class size limit upwards by two or three seats; severely limiting approval for low enrolled sections; and seriously moving to "abolish small graduate programs." In part 2, Dr. Lanham made twelve specific suggestions for savings, including investigating the cost of graduate waivers and stipends; cutting back on summer staffing; questioning amount of support for faculty research; questioning need for full-time clerical staff for small departments and "centers"; reducing or eliminating associate and/or assistant chair positions; "joining allied departments"; reducing number of certifying officers (for graduation) across campus in view of lighter student load; questioning staffing of University

Foundations courses by multiple instructors and student mentors (all paid); questioning if EIU can afford Study Abroad; questioning large number of student assistants in Office of Admissions; questioning the enormous growth of CATS over the past decade. Outside of Academic Affairs, Dr. Lanham recommended sharing more widely the benefits of certain contracts, such as P-card, Pepsi, Office Max, etc; seeking information about increased budget lines after the 25% reduction across campus; considering benefits of a retirement buyout program; seeking a campus-wide contract for copy paper; encouraging Residence Halls to stress academic involvement over social events as a way of optimizing retention and progress toward graduation. In his last section, Dr. Lanham suggested combining department efforts in Computer Science and moving to a Computer Science major with BS and MS; increasing student admissions for the MS in technology; combining department efforts in Public Relations; and checking compliance on all IGPs and departmental procedures to ensure cost containment where possible.

Ms. Riedemann followed Dr. Lanham. She began by questioning why in certain areas at EIU expenses are allowed to exceed revenues. She also suggested looking closely at what a 5% across-the-board cut would yield. She agreed with Dr. Lanham that CATS/ITS need to be looked at for redundancies and possible greater efficiency. Ms. Riedemann stated that she wondered why the College of Education, for which EIU is known, is cheaper than other areas. She stated that she did not understand Continuing Education's budget situation at all. She also questioned whether EIU can afford Study Abroad. She wondered if EIU is losing money on unpaid tuition and could do more to collect it. She wondered if summer camps at EIU are too expensive. She also recommended raising class sizes. She concluded that while Academic Affairs should not be expected to provide a "lion's share" of savings, it should look for duplication and inefficiency.

Dr. Hailemariam reported that she is concerned that we do not have enough information, or enough consistent information, to make recommendations about areas for reduction. She also stated that she believes academic affairs has already done its share of cutting and she would like to know whether other areas of the university have made comparable cuts. She stated that while she believes in seeking greater efficiencies, she needs to be shown that others have already matched the cuts academic affairs has taken.

Around 2:45, Charles Delman left the meeting.

Dr. Shelton reminded the subcommittee that at the full CUPB meeting last week the President responded to a request for clarification about what we are trying to do by referring to the University Mission Statement as our "North Star." Dr. Shelton said that CUPB should take that statement seriously and recognize that the mission statement explicitly includes both undergraduate and graduate education, as well as faculty research, but does not include other areas of campus life. She reminded that a university is not a business or a corporation, but a common endeavor, and that it is normal that certain larger or more profitable areas

help to carry smaller, but still academically important areas. She also urged that CUPB wait to make its recommendations to the President until we find out whether more faculty and staff than already anticipated declare (by the April deadline) their “irrevocable intent to retire” before June 1, when the new legislation on pensions goes into effect. She suggested trying to use retirements and voluntary departures as much as possible toward the goal of savings, rather than reducing among junior and more vulnerable faculty and staff. She stated her support for Jon Blitz’s recommendation that if Academic Affairs has to find savings, it look first into the support programs, rather than academic departments (see Dr. Blitz’s recommendations, below), especially CATS/ITS, since overall EIU seems to have significantly more technology support staff than its peers. Dr. Shelton opposed academic reorganizations that in her view would set the university back by 50-60 years., and undermine its status as a university. She urged that any areas targeted for cuts be included in the decision-making process. She urged that the university make it easier (bureaucratically) for programs with outside sources of funding (e.g., Table, Athletics) to move some positions off of appropriated budgets. Finally, she urged that the university investigate why EIU has significantly more “administrators” than its peers and look for savings in administrative offices. She concluded by saying that the university should involve units across campus in marketing and recruitment efforts which have been, up to now, demonstrably inadequate and the source of much of EIU’s difficulties.

Mahyar Izadi said he would only briefly reiterate what he had said before: that while he appreciates that EIU is a university with an academic mission, the fact is that we need to save money, and that support services on campus are also necessary to carrying out the mission of the university. He stressed that the large majority of university cost is in salaries. He said that the student population has shrunk by 20% but he questions whether faculty have been comparably reduced.

Gloria Leitschuh began by focusing on how the university could grow enrollments, recommending reallocations to those academic areas, like Technology and Communication Disorders, that have demonstrated they can bring in more students. She also urged that units across campus be involved with recruitment and marketing. For reductions, she also urged looking to possible additional retirements over those already factored into budget projections.

Although Dr. Blitz was not present to speak to his suggestions, he had provided them in writing. He advised looking into non-academic programs within Academic Affairs before looking at academic departments. Specifically, he questioned costs and levels of staffing in: CATS/ITS, CASA, Academic Success Center, Business Solutions Center, Faculty Development, BOT, Study Abroad, Minority Affairs. He questioned handling of Tuition Recovery returns. He questioned costs and staffing in Deans’ offices, including Honors and Library. He recommended reductions and streamlining in staffing in Deans’ offices. He stated that SCE is, “as usual, incomprehensible.” With regard to academic departments,

Dr. Blitz recommended reviewing all associate chair positions; reviewing whether any department needs more than one staff position, and reviewing departments with significant reductions in SCH for possible ACF reductions, depending on workload. He stated that he is in principle against consolidating departments for saving costs unless it makes academic sense. He also stated that asking small majors to increase class size in upper division classes is tantamount to asking to eliminate those majors, and that asking that ACF's teach these classes ignores the fact that they are very often not qualified to do so.)

Around 3:00, Gary Aylesworth, John Allison and Jonelle DePetro came in.

Discussion ensued for the second hour of the meeting. The following are the main points on which the subcommittee as a whole agreed:

1. EIU needs to conduct a careful analysis of its administrative staff to determine how and why we have many more administrators than our peer institutions.
2. EIU should look to retirements and departures for savings as much as possible.
3. EIU needs to clarify what are our enrollment goals (10,000?) and what would be an optimal faculty/student ratio before we recommend reducing faculty.
4. EIU needs to conduct a careful analysis of CATS/ITS and technology support staff in general to determine how/why we have many more than our peer institutions.
5. EIU should look for possible redundancies among academic programs in cases where there might be a savings.

Committee members also asked for more information:

- Dr. Izadi asked what the savings would be if we increased faculty/student ratio from 1/15 to 1/16, 17, 18, etc.
- Dr. Hailemariam asked to see exactly how much all areas of the university have cut in the last 5-10 years.

Dr. Lanham suggested that if student numbers have dropped by 20% faculty numbers should drop by the same percent.

Dr. Lanham informed the subcommittee that CUPB Executive Committee decided that CUPB as a whole would work through recommendations from all the subcommittees in open meeting, with all members voting on each recommendation.

Dr. Lord promised to provide the subcommittee with projected savings if we 1) increase class sizes; 2) reduce administration to the levels of our peer institutions; and 3) reduce technology support staff to the levels of our peer institutions.

John Allison asked whether the subcommittee had considered the level of staffing in CASA. Dr. Leitschuh responded that yes, the question had been raised.

Dr. Leitschuh asked the subcommittee members to go back through the particular recommendations of all individual members carefully, looking for specific suggestions we may want to bring forward to the CUPB.

The meeting was adjourned at 4:10.

2. **Business Affairs, President's area, and University Advancement, Room 4456**

Submitted by: Dave Emmerich

- Kathleen Shank, Tim Zimmer, Melissa Gordon, David Emmerich(Minutes), Bill Weber, Bob Martin
- KS - request from Dr Weber – from your perspective, where could we be more efficient?
 - BW – 2 possible areas
 - Could we bring various technology efforts under 1 umbrella?
 - ITS restructure a few years ago reduced costs by \$800k
 - Can see funding and expenses at www.eiu.edu/technologydashboard
 - KS – we discussed centralizing technology purchasing
 - BW – it is possible, but don't know how much would save
 - DE – we've started gathering data for comparison of 3-4 FY ago to now
 - BW – Also, with FPM, tasked Tim Zimmer with reviewing how FPM is funded
- KS – question about ledger 1 and \$44M
 - BW - Ledger 1 combines state appropriated + tuition \$
 - Recent years = ~\$108 - \$112 million
 - Looking forward, seeing at best \$103 million
 - Additionally, EAF(education assistance fund, formerly GRF, general revenue fund)
 - BW – Ledger 2 is non-tuition revenue
 - BW – Ledger 3 is Bond Revenue
 - Housing
 - MLK
 - A few others
 - Works a lot like ledger 2, but have bond holders interested in us paying them back
 - BW – internal budgets are done on all 3 ledgers
 - Budget web site, show plan of what we intend to spend
 - When year is closed, we update with what we actually spent
 - KS – EAF FY15 has \$5+ million in it
 - FY 14 had \$3.1 million

- Why did it go up?
- BW – don't miss the minus sign
 - KS – so we're in debt \$5million
- BW – 2 things in presidents area that caused this to be a large area
 - Planning and support
 - Right now says we are \$7.5 million short of fully funding all budgets
 - Assumes flat appropriations and holding same # of students
 - Basically all deficits and changes are consolidated here
 - Reserve positions
 - Basically is for salary increases
 - Next budget has \$0 in it, so all increases next year would be from attrition
- For this year we have a -\$6million, how do we handle?
 - Provost responsible for \$2million of it
 - BA responsible for another \$2million of it
 - Remainder covered by carry forward from previous year
- KS – noticed there is no absorption by student affairs
 - BW – Student Affairs has very small amount of appropriated \$
 - SA ledger 1 totals \$4.5 million(out of \$108 - \$112)
 - Most SA money in ledger 2 or ledger 3
- KS – how does housing money work, with paying for utilities?
 - BW – it's basically a pass-through in ledger 3
 - Based on formulas from many years ago based on estimates
 - We can now measure utility usage on the buildings and found out old formulas underestimate actual use and have been moving to a consumption based model
 - Could build an incentive to reduce utilities
 - To do it all at once would have required increasing housing fees that would have been unfeasible
 - Capped increases to housing at 5% per year
- BW – utilities isn't the only thing not covered by bond area
 - Technology is picked up by bond area, a little
 - Account is also picked up
- BW – would like to review how bond area formulations are done
 - KS – it appears that now might be the time
- KS – has an email from a chair that they did a housing analysis comparing to other institutions

- Basically comes out that we're right in line
- KS – reiteration of a few things we could look to recommend
 - Review technology services around campus
 - Facilities
 - Review bond formulas
- BW – regarding FPM, not sure if it's possible to outsource any of it
 - Some discussions and other places have
 - TZ - UofI analyzed outsourcing BSW, Grounds, and Fleet,
 - Too costly there, but might work here
- BW – other areas in BA, struggle to look at because they've been shrunken a lot in recent years
- BW – recently, also, mail services has recently been reduced
 - Making it up by putting in more centralized mail drops
- KS – what are non-indentured reserves?
 - Is this only the swept in at the end of the year \$\$\$
 - BW – that is typically what that funding source is
 - Goes 1 of 2 places, non-indentured reserves or income fund for carry-forward to the next year.
 - Allowed to carry forward a small %
 - Never have had a lot, no more than \$200k, or so
 - Haven't had anything to carry forward since state has had funding issues
 - Non-indentured reserves has limited uses
 - Carrying-forward because of state budget deficits at end of FY
 - Used for things like Doudna glass, groundshop...etc..
 - KS – do these monies do us any good?
 - BW – yes they do, under limited rules
 - BW – rule on non-indentured reserves
 - When set up a reserve, have 3 years to complete the project
 - If not complete, go back to board and ask to renew
 - Or, declare the project finished
 - Or, declare the project is abandoned
 - When finished, or abandoned, whatever is left in reserve goes back to income fund(whatever tuition goes into)
 - Currently, have 1 big reserve on the list, new science building
 - The state doesn't appear to be funding new capital projects any time soon
 - Reserve that is setup has a 3 year period ending at end of this year

- Will let funds lapse, which puts them in income fund
 - That's how we'll survive structural deficit
 - KS – question on 4 lines for science building
 - BW – line with IF, for income fund
 - Reserve for planning of science building renovations
 - BW – line for student fees is improvements on science buildings
 - KS – what is the \$10million on the next 2 lines?
 - BW – lapses at end of FY
 - BW – will help us reallocate for the next 1 – 1.5 FY
 - BW – we need to be putting things in place now so FY16 budget is able to handle 7.5 reduced budget
 - KS – regarding equipment reserves
 - BW – the \$0 in budget is appropriated, but we currently have \$4.5 million in ledger 2/3 money for it
 - BW - other reserve of “compensated absences”
 - Approved max of \$2.5 million
 - Has been ramped down from \$1.5m to \$0 in FY15(which is really just \$0 additional \$)
 - KS – here's a likely unpopular suggestion
 - Looking at 12 month contracts or furloughs, what would be recouped?
 - BW – something to consider, a university-wide 3-day furlough is ~\$1million
 - BW – 1 month furlough for all A&P is ~\$ 1million
 - TZ – went through furlough at UofI and it did not “taste very good”
 - Was only A&P, not faculty or civil service
 - Lost a lot of people
 - BW – 1 thing to consider is
 - Do we do a furlough this year to throw money over the fence to get where we need
 - BM – what if we moved to a 4-day work week in the summer?
 - BW – might see approximately \$250k additional savings
- KS – questions about scholarships
 - Looking at where we are growing expenses,
 - Commitment to excellence scholarship information
 - For 2012-2013,
 - We gave 489 students Commitment to Excellence-Tier 1 in the amount of \$701,250.
 - For 2013-2014,

- We gave 99 students Commitment to Excellence-Tier 1 in the amount of \$339,500(\$3500 EACH)
 - We gave 217 students Commitment to Excellence-Tier 2 in the amount of \$532,500(\$2500 EACH)
 - We gave 615 students Commitment to Excellence-Tier 3 in the amount of \$891,750(\$1500 EACH)
- BW – you see these ramping up because they started with freshmen and is full-up after 4 years
 - There is a tier at the top(higher than tier 1) that is \$4500, now
 - KS – rough numbers show we would have to net an additional 1400 or so students to make money
 - That seems high
 - We need to look at having some limitations and controls on the number of scholarships we give
 - BW – one thing to note, we've extended in-state tuition to many surrounding areas
 - Someone from Indiana could come here, or go to Purdue for less
 - KS – question for Mr Martin
 - We've been told that alumni will give to help students more than other items, could we start a campaign to increase scholarships in that factor
 - BM – we have had some campaign looking to increase this
 - Could we do a targeted campaign to increase the cash-in/cash-out?
 - BM – that might be possible

The next CUPB meeting will be Friday, March 21, 2014. Please consult the agenda for meeting locations.