

INSTITUTIONAL POLICY AND PLANNING COMMITTEE

MEETING MINUTES

January 30, 2015

10:30 am

PRESENT: President Philip A. Glotzbach, Chair; Joerg Bibow, Vice Chair; Mary Lou W. Bates; Addison Bennett '16; Barbara Black; Beau Breslin; Paul Calhoun; Rochelle Calhoun; Michael Casey; Bill Duffy; Samuel Harris '15; Karen Kellogg; Wendy Kercull; Kathy Kinnin; William Lewis; Dan Nathan; Mehmet Odekon; Kelley Patton-Ostrander; Viviana Rangil; Joseph Stankovich; Michael West; and Joshua C. Woodfork.

ABSENT: none.

1. Minutes from December 19, 2014

IPPC postponed discussion of the Minutes from the December 19, 2014 meeting for review at its next meeting, February 13, 2015.

2. Welcome Spring 2015 IPPC Members

President Glotzbach welcomed new IPPC members: Professors Dan Nathan and Barbara Black, who are serving as semester sabbatical replacements for Professors Tim Harper and Natalie Taylor. President Glotzbach also welcomed Professor Joerg Bibow as Vice Chair of IPPC for the Spring 2015 semester.

3. Student Government Association (SGA) Constitution

SGA President Addison Bennett originally presented SGA's Constitution draft during IPPC's December 5, 2014 meeting. During this December meeting, SGA President Bennett solicited feedback and informed IPPC about the proposed process for approving the revised Constitution. At this January 30th meeting, SGA President Bennett explained that IPPC is reviewing the final draft of the SGA Constitution. He noted that the process began over a year ago and that the current SGA Constitution is a 17-page document of committee membership lists that is unworkable for effectively making shifts in governance and operations so that major changes in the new proposed Constitution were necessary. In the revised Constitution, the structure of SGA remains mostly the same with an Executive Committee, SGA President, and an SGA Senate. SGA President Bennett pointed out that the item that received the most attention during the IPPC December discussion included language surrounding, "standards, rights, obligations, and privileges." This section has been greatly revised. Vice President W. Rochelle Calhoun expressed her appreciation that SGA was open to revisions and applauded the efforts of this particular SGA leadership team to make progress on this front.

SGA President Bennett explained the process for ratification of the Constitution draft includes the club presidents and SGA Senate's approval which was secured earlier in the week, IPPC's approval today at its January 30th meeting, the Board of Trustees Student Life and Admissions

Committee's discussion next week, a full Board of Trustees approval of a Resolution at its February meeting, and the final step will be a vote on ratification by students in early March 2015 with a required 2/3rds approval vote of a minimum of 800 students needed for the Constitution to be officially ratified. IPPC faculty met with SGA President Bennett and SGA Vice President Sam Harris prior to this IPPC meeting and reviewed the Constitution draft to provide faculty input. IPPC unanimously approved the SGA Constitution draft.

4. Operating and Capital Budget Update FY '16

President Glotzbach informed IPPC that the January Budget Workshop just occurred. It gives the Board's Budget and Finance Committee a chance to review the Budget off-cycle from the Board meetings (October, February, and May). At the Budget Workshop, members of the Budget and Finance Committee are able to review the Key Budget Assumptions that are being proposed. The IPPC Budget and Finance Subcommittee discussed and reviewed the Key Budget Assumptions late fall. We ask for approval of the Key Budget Assumptions of the Operating Budget at the February Board meeting and then approval of the Operating Budget at the May Board meeting. Vice President West reported that for the Operating Budget FY '15 the information has been updated since IPPC's December 19th meeting, reporting favorable news on balance, including better results for auxiliary margins based largely on dining hall services, and savings in employee benefits, and several other areas while this is off-set because over-enrollment is projected as somewhat down. The Budget Update we showed to the Board of Trustees in October at that time was balanced, but had used \$500,000 in contingency funds primarily due to additional costs for financial aid. Now, we are showing in our current projections, \$1.7 million or approximately 1% revenues over expenditures projected for fiscal year ending May 31st, while substantially protecting the balance of our contingency. We are still projecting significant net revenues from over-enrollment funds.

Vice President West reviewed the key assumptions including that net fiscal enrollment is 2,330, with no over-enrollment projected. The range for the entering class target admissions is between 0-50 students. The comprehensive fee increase is 3.5%. The internal financial aid discount rate is increasing one full percentage point from 38.5 to 39.5. Vice President West noted that it will be quite challenging for us to hit this mark and maintain the characteristics of the class. Compensation: 2.5% GSA and \$300,000 for market and equity adjustments, and a recommended employer dental contribution of \$400 per employee. With these key assumptions along with \$8.2 million for transfers to the Capital Budget, along with \$500,000 New Initiatives, and \$500,000 for New Initiatives Debt Service for the Center for Integrated Sciences, then for FY '16 we would have balanced revenues and expenditures at approximately \$147.4 million, including a modest contingency fund. The contingency is important particularly because of either under-enrollment or over-expenditure for financial aid.

Vice President West reviewed the history of comprehensive fee increases from FY '10 through FY '14 and our College Board ranking and peer rankings. He also reviewed the faculty salary rankings. There is some concern related to Assistant Professors and striving to be at our long-term goal related to our peers. Vice President West also reviewed the endowment per student data.

A question was asked related to our debt service and when it will be paid off. In 2025, our debt service will decrease, with another significant decrease coming in 2035. Debt currently continues to 2040. A question was asked regarding our sliding-scale involving health costs. Vice President West explained that this policy has been in place for significantly over a decade, that it would be most challenging to change at this point, and emphasized that the College is committed to a total compensation framework, which is salary and benefits and our desire to ensure that we take a balanced approach to both of these items.

IPPC unanimously supported the Key Budget Assumptions related to the Operating Budget. Vice President West thanked all and particularly Kelley Patton-Ostrander for her work.

Vice President Mary Lou Bates provided an Admissions update. The deadline for applicants was January 15th. The Admissions Office is anticipating receiving over 8500 applicants, which is the second highest number of applicants in the College's history; last year was the highest number. We are down about 1.7% from last year's overall number of applications, including being down 5% within domestic applications. Since 2012, we have nearly tripled international applications and saw growth this year. Unfortunately, nearly 70% of international applicants are seeking financial aid and we have budget constraints within our financial aid pool. This year, we are targeted to bring in 38% of the entering class on financial aid, compared with the Class of 2018 having 47% on grant assistance. Early Decision rounds I and II are down 10%. The overall pool requesting financial aid fluctuates throughout the spring as families consider whether or not to apply for aid; right now we are at 69% requesting aid compared with 67% at this time last year. By the end of the last year's cycle it turned out that 69% of applicants did indeed apply for financial aid.

This year, 24% of our applicant pool self-identify as students of color compared with last year's 22%. We are looking for a smaller class of 655 students this year. We have 413 Early Decision applicants compared with 460 last year. Early Decision is important because it reflects first-choice interest; however, there have not been consistent trends to Early Decision. The Admissions and Financial Aid offices and the Enrollment Management Group are looking at yield this year with a goal of increasing our yield on accepted applicants. Our yield-related challenge in recent years is that the yield on those receiving financial aid for spring decisions jumped from 22-23% to 29% last year. Our yield for those not requiring financial aid is trending down. Our practice not to use merit aid or "gap" our students does pose some challenges as other institutions are utilizing these practices. A discussion of merit aid with the benefit of influencing choice occurred. Some anecdotes of peer and aspirant school were shared.

Vice President West presented the Capital Budget. We are looking for Board approval at the February Board of Trustees meeting. The Capital Budget for FY '16 is one of the largest proposed Capital Budgets in the history of the College, outside of major projects like the Arthur Zankel Music Center. We are proposing \$14.7 million worth of projects, which includes \$2.7 million for the Center for Integrated Sciences (CIS). The projects list was distributed and reviewed prior to the meeting. The President's Cabinet and the IPPC Budget and Finance Subcommittee supported the projects. President Glotzbach pointed out that we are not funding \$20 million plus of other proposed projects.

IPPC unanimously endorsed the proposed Capital Budget. President Glotzbach asked that this information remain confidential until after the Board of Trustees considers these budgets and votes in February.

5. Update on Strategic Planning Process

President Glotzbach distributed a first draft and mentioned that the structure is not fixed. He briefly reviewed the sections of the draft. President Glotzbach welcomed the Committee's input. He will present the next installment shortly. IPPC will have continued conversations over the next few months. President Glotzbach asked that the current draft stay within the group until we are ready to share it with others.

6. New Business/Future Agenda Items

IPPC had no further business.

The meeting adjourned at 11:52 am.

The next meeting will be held on Friday, February 13, 10:30-12:00 pm in Murray-Aikins Room 4.

Please notify the President's Office of any changes to these minutes.