

**INSTITUTIONAL POLICY AND PLANNING COMMITTEE
MEETING MINUTES
May 8, 2020**

PRESENT: Cerri Banks, Mary Lou Bates, Joerg Bibow; Grace Burton, Vice Chair; Sean Campbell; Abby Ciccarone '22; Greg Gerbi; Philip A. Glotzbach, Chair; Michelle Hubbs; Carolyn Lundy; Martin Mbugua; Jennifer Mueller; Kendrah Murphy; Donna Ng; Michael Orr; Joe Porter; David Robakidze '20; Levi Rogers; Joseph Stankovich; Dwane Sterling; Amy Tweedy; Peter von Allmen; and Joshua C. Woodfork.

ABSENT: None.

The meeting was held via Zoom and called to order at 10:32 a.m. by Chair President Glotzbach.

1. Approval of Meeting Minutes from the May 1, 2020 Extended Meeting.

To allow for ample review of the draft meeting minutes of May 1, a recommendation was made to table the approval until the next IPPC meeting, which is scheduled for the week of May 18. The recommendation was unanimously approved.

2. Furlough Update

Vice President for Finance and Administration and Treasurer Donna Ng provided an update on furlough planning. Vice Presidents have met with Department Chairs, Program Directors, and supervisors and have outlined a preliminary schedule for furloughs in consultation with Human Resources. Several union employee furloughs have already begun, as of May 1. Non-union staff furloughs will begin at the earliest on May 18, with the majority of furloughs beginning on June 1. The staggering of staff furloughs is due in part to the work that needs to be accomplished around ending the academic the fiscal year.

VP Ng reminded IPPC that not all staff members will be furloughed at a 100% level; she also reminded IPPC that the current health-share costs incurred by an employee would remain the same, regardless of their furlough percentage. Supervisors will be in contact with the affected employees shortly. The direct supervisor will notify the employee directly, after which Human Resources (HR) will send a confirmation letter and a packet containing detailed furlough information along with FAQ's and instructions on how to file for unemployment. HR will establish a telephone hotline to assist furloughed employees with any questions. VP Ng added that HR's goal is to provide the assistance needed to get the furloughed employees into the NY State unemployment system and obtain their first check as soon as possible.

IPPC asked for guidance on the appropriate way for a furloughed employee to communicate with colleagues during their furlough time period. VP Ng replied that any messaging would need to be worked out between the supervisor and the employee. In response to several furlough questions, VP Ng stated that affected employees will hear from their direct supervisor and not a Vice President. There are approximately 200 non-union staff who will be affected. The administration has not yet heard from those union employees furloughed on May 1 in regards to their filing status, but anticipates that they should know more next week.

3. Debt & Next Steps

VP Ng presented information regarding the debt plan to be presented to the Board of Trustees at their May meeting. The debt presentation had been previously reviewed at the February 14 IPPC meeting. To reiterate, the plan is to take on some additional debt in order to maximize our

financial flexibility. With tax-exempt interest rates currently at all-time historic ten-year lows, VP Ng proposed that the \$30M in unrestricted cash approved in February 2019 for the Center for Integrated Sciences (CIS), be maintained in cash and new debt be issued in this amount to fund CIS. The \$30M could be placed into liquid investments such as a savings account and/or a portion of the endowment to improve and preserve our cash flexibility until we know more about changes to the fall semester and their financial implications for the College.

The proposal also would allow the College to refinance \$26.3M in Series 2011A bonds that were issued in 2011 at an interest rate of 5% and lock in rates to take advantage of the market's current historic low rates. Although the call date for these bonds is July 1, 2021, the College can lock in a new rate between now and next July. According to VP Ng, the financial impact of this debt plan is positive for Skidmore because it will allow the College to increase our investment earnings and save on a bond interest costs at a projected rate of 3.5 % - 4%. COVID-19 has impacted the tax-exempt bond market, and our legal counsel has advised us to be ready to take action, if this is the course of action the College desires.

At the May Board meeting, the administration will be seeking authorization from the Board of Trustees to implement the debt plan. Even if the Board approves this action, we would not implement these debt strategies immediately. Board approval would, however, allow the College to prepare for future implementation when our legal consultants advise us the time is right. President Glotzbach stated that the College is well positioned in this regard and that we have the ability and the means to incur additional debt, if and when we choose to do so. These strategies are part of the longer-term planning to maintain financial sustainability.

IPPC members expressed concern over Moody's rating of higher education in general in response to the pandemic, and questioned the effect the crisis is having on Skidmore's credit rating. President Glotzbach commented that our Moody's rating remains strong. The College's asset-to-debt ratio is low; we will, however, have to undergo a rating review, if we issue new debt. In such an instance, it is always possible for a rating to change. It was noted by IPPC members that although our credit rating may be strong, we should keep in mind our need to maintain a certain psychological comfort level with debt. We also need to think carefully about the potential effect increased debt may have on our Moody's rating.

4. Admissions Update & Budget Implications, 2020-2021 Academic Planning Working Group Update/Planning, Operations, Financial Planning

In advance of this IPPC meeting, the President's Cabinet prepared a document with COVID-19 Updates, entitled, "COVID-19 Updates and Planning for the Strategic Planning Committee, as of May 5, 2020." It was distributed to committee members with the IPPC meeting materials. It includes the following update items: Admissions, Academic Planning, Operations, and, Financial Planning.

a) Admissions Update & Budget Implications

In addition to her written report, Vice President and Dean of Admissions & Financial Aid Mary Lou Bates announced that Skidmore has made its entering class. VP Bates once again highlighted the agility and deep commitment of the various departments on campus to adapt to the new virtual world. Several offices and people participated in these recruitment efforts, including Communications and Marketing (which created new avenues to connect with admitted students), Financial Aid (which made over 1,000 phone calls to financial aid recipients),

Admissions-facilitated personalized emails, and faculty members who poured tremendous time and energy into coordinating individual Zoom sessions with admitted students. Our admissions numbers are the direct result of many people stepping up, and VP Bates thanked people for their assistance. President Glotzbach acknowledged these heroic efforts to admit the Class of 2024 and thanked everyone for their great collaboration.

b) 2020-2021 Academic Planning Working Group Update/Planning

Dean of the Faculty & Vice President for Academic Affairs Michael Orr explained that the Academic Planning Working Group is meeting almost daily. The overarching value that informs the group's planning is the health and safety of the community, including students, faculty, staff, and the larger Saratoga Springs community. Second, members recognize the importance that close faculty and student interactions within a residential experience have on the overall educational experience; nevertheless, the Working Group remains cognizant of the safeguards that we need to implement before we can bring students back to campus. These are the guiding principles of the group as they work through various scenarios and determine what is possible and practical, while considering residential capacity, financial implications, and state and local health guidelines and directives.

Dean Orr stated that the Working Group will be consulting closely with other committees, including the COVID-19 Working Group. The Working Group has not yet made any decisions, nor is it prepared to make any recommendations at this time. The group will submit its recommendations to the President's Cabinet as soon as possible but no later than June 1. Student Government Association Vice President for Financial Affairs Abby Ciccarone '22 asked that the group please be cognizant of student involvement in all of their discussions. Dean of Students and Vice President for Student Affairs Cerri Banks commented that they are very much aware that there needs to be a student voice in the room and that they have invited a student to be on the committee. Dean Orr added that, in addition to the Working Group's own survey of students, another student survey was recently conducted as part of a class offered this spring, and that the Working Group will be reaching out to engage with the faculty member to review these survey results, as they move through the process.

Dean Orr commented on the remaining uncertainty involving state and local directives and explained that although some institutions have already announced plans for the fall semester, these plans may need to change, as the understanding both of the severity and the course of the pandemic evolves. President Glotzbach stated that colleagues at our peer institutions all understand that fall planning options are dependent on the guidance institutions receive from the state. All institutions are required to submit a reopening plan. He acknowledged that the planning is both time consuming and complicated.

c) Operations

Dean Banks spoke to the progress the COVID-19 Working Group has made thus far. She stated that it is critical that we work to minimize risk in allocating space for housing students on campus in the fall.

As of May 6, there are 130 students on campus, with 55 of these students scheduled to leave on or before May 17th, 37 asking for extensions, and 38 with no plans. The expectation is that there will be 40-45 students on-campus this summer. Expectations for this group of students remaining on campus are being addressed.

d) Financial Planning

VP Ng reminded IPPC that COVID-19 has affected the budget in many significant ways. Finance and Administration remains ready to evaluate the potential budget impact of all scenarios from the Academic Planning Working Group.

5. Community Meeting May 20, 2020 at 2:00 p.m.; Faculty Discussion of Student/Faculty Ratio; Cambridge Hill Partners (CHP) Update/Next Steps

a) Community Meeting

Vice President for Strategic Planning and Institutional Diversity Joshua Woodfork reminded IPPC that a Community Meeting will be held on May 20 at 2:00 p.m. Content of the meeting will include two topics recently presented to IPPC: Five-Year Budget Planning and the student/faculty ratio.

b) Faculty Discussion of Student/Faculty Ratio

As we begin to convey the important and sensitive information regarding the student/faculty ratio more broadly with the community, Dear Orr asked IPPC for feedback and guidance. IPPC members suggested the need for a robust process that must involve all constituents, as well as President-Elect Conner. Specifically, IPPC members advised that the student/faculty ratio discussion be brought to the Faculty Meeting on May 15, despite the fact that the May 15 meeting is the last faculty meeting of the academic year. IPPC recommended that the faculty need time to absorb the data and that it would not be prudent to delay the conversations until the fall. Program Directors and Chairs also need the opportunity to discuss this issue at the upcoming Chairs and Program Directors meeting.

It was the opinion of the IPPC that the student/faculty ratio discussion be brought forth in the context of overall budget planning. The Dean's Office will do their best to disseminate as much information as possible at this time.

c) Cambridge Hill Partners (CHP) Update/Next Steps

Vice President for Communications and Marketing Martin Mbugua stated that the IPPC Working Group for Cambridge Hill Partners (CHP) will provide an update as a follow up to the May 20 Community Meeting. They are also planning to share the educational material developed to date, along with unveiling an updated website, so that community members will have reference material available to them.

6. Retirement Contribution Inquiry & Board of Trustees Process Proposal

President Glotzbach began the employee retirement contribution discussion by stating that the administration is trying to bring to IPPC a range of potential cost-saving measures in light of the pandemic. A number of other academic institutions have announced temporary changes in their employee retirement contribution benefits. VP Ng added that the revised budget calls for a 1% reduction in the retirement contribution for three summer months. IPPC was asked by the administration if they should explore other options such as a further reduction to the contribution or the temporary suspension of all retirement contributions. The retirement contribution is just one of the many levers that could be pulled.

An IPPC member asked if voluntary pay cuts by the Administration was also a lever. President Glotzbach acknowledged that this could be one of the levers that could be pulled if needed. An IPPC member asked if there was a way to redistribute the contributions across pay scales, similar

to the structure of the healthcare cost share structure. VP Ng replied that doing so would require a plan amendment approved by the full Board of Trustees.

IPPC discussed reductions or elimination of the retirement contribution at length. The question of fairness to all employees was the essential guiding element of the debate. Ultimately, the advice of IPPC was to delay any decision about the retirement contribution until such time as the financial picture became clearer. IPPC members stressed that the Full Board of Trustees would need to vote in any changes that were made to the plan. In response, VP Ng said we might pursue a temporary change that allowed a subset of the Board, perhaps the Executive Committee, to make plan changes until May 31, 2021. President Glotzbach suggested that he would consult with the Board Chair and inquire about this temporary change, and then report back to IPPC.

7. IPPC Subcommittee Check-In

Because of time constraints, VP Woodfork asked to table this agenda item until the next IPPC Meeting, which will occur the week of May 18. The recommendation was unanimously approved.

8. Call for Agenda Items & Confirming and Scheduling IPPC Meetings

VP Woodfork stated that a poll will be sent shortly regarding another May meeting in order to prepare for the upcoming Community Meeting. He reminded IPPC we will also hold two June IPPC meetings, which will include current and future IPPC members.

9. Other Business

Dean Banks stated that the Title IX regulations from the federal government regarding policy changes will go into effect August 14. President Glotzbach concluded the meeting by calling out Student Government Association (SGA) President David Robakidze '20 and congratulating him on his recent receipt of the Student President's Award.

Meeting adjourned at 12:02 p.m.

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