

**Minutes from the Strategic Planning Workgroup for Finance and Operations
22 July, 2014, 1:00 p.m. (Miller Oval)**

Committee Members:

Present: Sean Goodlett, Cathy Daggett, Tim Hilliard, Michael Nosek, Audrey Pereira

Absent: Shylah Maloney (student rep)

Guests: Paul Weizer (Executive Planning Council), Jane Fiske (EPC), Heidi Swift

I. Call to Order by Sean Goodlett (approximately 2:00)

II. In a change to the orders of the day, Sean reviewed “The 2014 Inside Higher Ed Survey of College and University Business Officers.” Sean will post a PDF of the survey to the Blackboard site. He highlighted the following suggested by the survey results:

- Many institutions were not confident about the sustainability of their institution’s financial model over the next ten years.
- The cost of health insurance is a major concern.
- There is a mix of concern about eliminating underperforming academic programs.
- Many institutions are interested in promoting early retirement for faculty.
- A split in opinion exists on shifting from a classroom-based to Web-based model of instruction.
- About half the surveyed institutions are increasing debt. Few felt they had too much debt.
- Fitchburg State is approximately in the middle range of debt. (N.B.: the survey doesn’t norm for the size of the school.)
- More than half of business officers (57%) agreed that new spending at their institution in the coming years will be drawn from reallocated dollars rather than an increase in net revenue.

III. Approval of Minutes from June 22, 2014

Sean distributed and the committee members reviewed the minutes.

Motion to Approve: Audrey Pereira

Second: Michael Nosek

No discussion.

Vote: 5 (in favor); 0 (opposed); 0 (abstention): 0

IV. Discussion on Questions

To facilitate a discussion of the day’s topics, the committee reviewed various guiding questions. Question 4 focuses on revenue associated with academic programs; the committee concluded that there is a need to evaluate viability of majors and minors. Questions 5, 6, 7, and 8 treat cost reduction and containment in academic and non-academic departments; on this there was a

discussion of how to develop frameworks for establishing areas where we can achieve cost reduction. These frameworks might include the following:

Academic Departments:

- An review of a program might be triggered if the direct expenses are not being met; if a department's curriculum is not stable or consistent; and/or if the long-term viability of the major is in question (based upon job prospects or student demand).
- Should a program meet the criteria for review, positions opened up through retirements or resignations would be evaluated for automatic replacement.
- If a review is triggered, the potential resolutions include: (1) gradually reducing the faculty in the department or (2) moving faculty lines to other areas.

N.B.: There is a need to determine how to apportion by department state appropriations and all indirect costs. One might do this by the salaries of staff; alternately, we might use the FTE of course credits taken by students in the department.

Non Academic:

- In the case of retirement or resignation, non-academic positions are evaluated by the president's office and, in some cases, eliminated when retirements and resignations occur.
- To answer questions regarding the process to determine non-academic department position eliminations, Sean will invite Jessica Murdoch to next meeting. The committee, when asked by Dr. Weizer what departments might have redundancies or inefficiencies, discussed the example of the Academic Advising Center; during the regular academic year, faculty might take on the advising load, as such a duty is already stipulated in the contract.

V. Items from the Floor

1. The committee discussed the potential for differential fee structures either based upon a student's major or in an à la carte fashion on the services the student utilizes (e.g., sports).
2. Next meeting:
 - Tuesday, 5 August from 1:00p.m. to 3:00p.m.
 - We'll focus on (1) the non-academic cost reduction framework, including discussion with Jessica and (2) the question of debt.

VI. Voted to adjourn (2:35) – passed unanimously

Submitted by Audrey Pereira