The committee met four times during the 2017-2018 academic year.

The first meeting, on September 26, 2017 and the items discussed on the agenda were as follows:

1. Purpose of the committee (for new members and Annual Report 2016-17)
   The committee’s charge is to make recommendations, monitor, and represent the faculty & students in budget and priority decisions primarily in AS&E but with an eye to impacts on the AS&E budget from the university as a whole. For more info, see https://ase.tufts.edu/faculty/committees/ASE/budgetPriorities/2017-2018.htm
   a. New members can meet with Scott to see how the budget is put together.

2. Last year, we learned more about how the budget is made meeting with the deans, Patricia Campbell, and David Harris.
   a. May want to get Jim Hurley to come in from the Budget Center to talk about systematizing and forecasting tools.
   b. Meet with Campus Planning and Development Committee.

3. Budget situation
   a. We can’t make serious recommendations because the budget is already set when the committee meets.
   b. What influence can the faculty have over the budget?
      i. A certain percentage of our expenses are fixed, but there are opportunities in revenue production.
      ii. How are expenses transferred between schools if a faculty member teaches in multiple schools?
         1. Tufts doesn’t really share the expenses, but you could look at how much the course is worth and break down the costs, but other factors like students from different schools may also cross over would affect the count.
      iii. Class size depends on the subject and the deans or the faculty would have to decide equity between a 5-person class and a 200-person class.
         1. Small sections are good for the US News and World rankings (above 49 students/section is bad). Correlation between higher ranking, retention, and revenue.
            a. Cummings and Barnum-Dana renovations will add more classrooms.
         2. Talk to department chairs and academic deans; get a budget discussion on a department chairs agenda.
iv. SMFA did not attract as many BFA students as we had hoped, but BA/BFA number increased. Did not generate as much continuing education class revenue; we aren’t used to that product.
   1. We have redone the website and hired some new people to work on continuing education and recruiting.
   2. They did have a great fundraising year.
   3. Most faculty fall under union contracts, but many are professors of the practice.

v. Tufts has to grow as a university and many buildings need to be rebuilt. We have pressures from the community to bring students back to on-campus housing. We need to pay for these things, but revenue is limited and we have to keep tuition from rising too much. About $.60 of every financial aid dollar comes from students who pay full tuition.

   c. Reduction from endowment payout (from 5% to 4%) is about $1-1.5 million per year. Endowment principle was overspent, and inside and outside review recommended we proceed this way. In A&S there is a lot of unused carry-forward dollars, like a fellowship in romance languages (this one is for graduate students in French, but there aren’t any graduate students in French).

   d. Tomorrow’s presentation will go over FY18 budget and forecasted results and to communicate the gap-closing measures will be reflected in the budget; even with them we project a $2-3 million deficit.
   i. We want department chairs to think about their administrative needs in terms of the new union environment.
      1. What skills do you need in your department and what kind of work environment can they grow in?
   ii. Changing some faculty from 12-month appointments to 9- and 10-month appointments to coincide with the academic calendar.

4. The committee voted that Pedro Palou, current chair of B&P will be the liaison to the Trustees committee.

The second meeting was held on November 14, 2017 and the agenda discussed was as follows:

Continuing discussion about the budget center and the tools they use to determine the budget. There was no centralized program before Jim Walsh came to Tufts a year ago. Central has to work with the schools because that’s where the revenue comes from. The individuals who are responsible for the development and reporting of the budget are centralized and aren’t school-based. The decisions are made with one budget system (Axiom), which is used to make predictions and reports. The budget center assists managing the school budgets. The team was developed and Axiom was built for Tufts’ use. We are frequently developing reports. Our resources are very tight. The total Tufts budget is a little less than $1B. Tufts is similar size-wise and program-wise to Brown, Cornell, and Washington University.

The Villages housing is coming online in two phases, in two and four years. Also renovating Miller and Houston Halls, then thinking about if new dormitories are a good option.
Students who want to get an MFA might not think about going to Tufts because it is academically demanding. We changed the recruitment process, designed a new website, and worked with some outside consultants. We are tracking the SMFA separately from AS&E while we see how it works following its acquisition. Investments in marketing and admissions staff should impact classes going forward. We got the expenses right, but the revenue and student enrollment did not meet our predictions. We are thinking about housing (currently leasing properties), food, transportation, and financial aid (no more merit aid). The SMFA deficit is around $4M. We are about a year behind where we thought we would be. The MFA owns the building, but Tufts is able to stay there for, maybe, 50 years. There are options to move art studios to the Medford campus and add new classes at the SMFA.

We need to develop new sources of revenue instead of cutting the budget. The summer session is growing; Spanish for Healthcare Professionals is a new program in the Longwood area. We should have a surplus that goes into the reserves, which are used for capital projects. Things should be on replacement cycles so that buildings don’t get to the point where they are at failure. We need to stay compliant and up to code. We can’t always cut the budget to solve a problem, but we should be looking for efficiencies. The new capital campaign will help, but that will affect the budget more long-term.

There are problems with using some software because a lot of the time it’s designed for a bigger or different industry and higher education is too small or not profitable enough for the company to revise the software for our needs.

There isn’t always a career path for all of our staff members. We don’t want to lose good people, but sometimes they leave Tufts for more money or more responsibilities that might not be available for them here.

Students don’t know much about the budget center and why budgets are cut, but talking to the student body would help them understand the reasons. The actual cost of each student is about $90K, but tuition does not cost that much.

Is Tufts meeting its students’ full need if there is food-need on campus? Financial aid doesn’t cover certain things, like participation in student groups or travel for classes or events. We have to think about how we provide things for students without impacting federal financial aid. We want everyone to have a level playing field and to have all the same options and no barriers. Student satisfaction affects Tufts’ reputation and donors’ interest in giving to Tufts. We are striving to be better, but maybe not fast enough.

The third meeting was held on Feb 6, 2018 and the agenda ran as follows:

**AS&E Budget Update**

- The committee has received many requests to give the administration input on the budget, especially as there are so many new cuts and allocations.
- A search was initiated for a new EAD in A&S; interviews in March; small search committee of 7 people; we want the person to start July 1. Members of this committee could meet with the candidates.
- As we try to reduce the deficit, we have implemented restrictions on overtime, food, and travel.
Historically, AS&E has had a surplus, but a few years ago it started to contract. We have made investments in faculty and facilities (new and renovated buildings) in both schools.

- We envisioned that graduate student enrollment would grow and that financial aid would shrink to support these incremental increasing facilities costs, but it didn’t.
  - We are working closely with GSAS and setting realistic enrollment targets; they are looking at new programs and how they award financial aid.
- We’ve made a lot of progress since last spring, but there is still a forecasted gap for FY19. Engineering has grown revenue by $2M every year for the last few years, but there is limit to how much more we can grow and how much of the graduate school revenue pays for the undergraduate education.
- Other ways to cover the deficit is to reduce costs and increase the undergraduate population.
- The lower payout from the endowment has also added pressure on covering the debt.

- Our facilities are depreciating and those are deferred costs while the schools are not generating surpluses.
  - The Barnum-Dana renovation is going forward (it will be housing Tisch College, Environmental Science, art studios, and Film and Media Studies).
  - The Houston and Miller renovations cost $25M-$28M.
  - The Villages will be opening soon and that will increase student housing.
  - The central energy plant is almost complete.
  - We are considering a new facility for AS&E by the athletics field; part of this cost could come from a donor, but the O&M will still be significant for the schools. We have to figure out the revenue sources for these new projects and make necessary investments.
  - On the table is to take Braker Hall offline; it costs $200k per year to run.

- Tufts’ endowment is about $2B. We are trying to keep pace with schools with bigger endowments. Our fundraising is going very well; we are about 50% toward goal.

- One solution to covering the deficit gap is to create new programs and increase revenue.
  - Some schools our size are pushing undergraduate education, like Cornell, but those have been strains on the schools and have been shut down.
  - Other schools have been given huge gifts; how can Tufts fundraise to get bigger gifts to fund new programs and buildings?
    - $125M and $50M gifts were given in the Beyond Boundaries campaign. This campaign is built around broader participation; more reliable strategy that you build up to instead of relying on a few large gifts, which is unpredictable.
  - How do we communicate what happens at Tufts externally and internally to donors?
- Messaging is important; people give money to winners: places that are doing well and that have good reputations.

- Increasing the student population will necessitate a new dorm and new teaching facilities and doesn’t seem like a long-term solution. We try to think out each scenario and how more students affect new needs and costs.
  - Some departments have a larger enrollment than others and we have to ensure uniformity in the distribution areas. If we expand the population too much, the small, personal Tufts experience will be lost.
  - Our hope is that we’ll absorb these costs this and next year and increasing the population will help get us there.
  - We increase financial aid more than we increase the tuition, which is another challenge to the budget. When you compare the A&S financial aid for our graduate students (40-70%), it’s higher than other institutions, but we can’t reduce it too much and still remain competitive.
  - The graduate student unionization has also increased the costs in A&S.
  - Training grants (3-5 people) will enhance a graduate education.
    - Jackie Dejean became Assistant Dean of Research and she generates partnerships for faculty.

- We are looking at a $2M deficit now. Some of these adjustments are one-time solutions and the deficit will remain at $2M-$3M for FY19.

- How can we increase the student population in certain, low-enrolled areas?
  - The SMFA will grow out of their budget deficit in the next couple of years to become a surplus school.
  - The deans have given guidance to the Karen Richardson, Dean of Undergraduate Admission, about enrollment, but a lot of students don’t know what they want to major in when they come in. A lot of students figure it out when they get here and may choose based on job prospects and not just interest.
    - Engineering, IR, Biology, Math are highly enrolled.
    - We can rethink the distribution requirements and encourage students to enroll in other fields.

- What do recent alumni donations look like?
  - The undergraduate participation rate was 20% which has raised to 22% and we are hoping for 23% this year (each percent is about 800 people). We tell them Tufts’ reputation affects their reputation, and the alumni participation rate affects this reputation.
  - For Giving Tuesday last year, we had 3,000 donors and this year it was 7,000.

The last meeting had only one item on the agenda, as requested my faculty members outside of the committee, and was a meeting with the Director (ad interim at the time) of Tisch Library, Dorothy Meaney. The following tables and discussion made us recommend to the deans that Tisch should be fully re-staffed for 18-19
April 3, 2018 B&P Committee meeting

<table>
<thead>
<tr>
<th>Account Category</th>
<th>Budget</th>
<th>Actual per roster approx.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
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<tr>
<td>Faculty Salary</td>
<td>0</td>
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<tr>
<td>Staff Salary</td>
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<td>Student/Other Salary</td>
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<td><strong>Total Salaries</strong></td>
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<td>Full Time Benefits</td>
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<td>Part Time Benefits</td>
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<tr>
<td>Student Benefits</td>
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<tr>
<td><strong>Total Benefits</strong></td>
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<td><strong>Total Compensation</strong></td>
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<td>$250K reduction for FY2018</td>
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<td>Carry Fwd (Budget)</td>
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<tr>
<td>Purchased Services</td>
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<tr>
<td>Student Aid</td>
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<tr>
<td>Travel</td>
<td>75,000.00</td>
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<tr>
<td>Materials &amp; Supplies</td>
<td>9,159,679.96</td>
<td>(Collections is approx. $9M of this)</td>
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<td>Administrative Costs</td>
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<tr>
<td>Allocations (IDRs)</td>
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<td>Transfers</td>
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<td><strong>Total Non-Compensation</strong></td>
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<td>$500K reduction for FY2018</td>
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<td><strong>Total Expenses</strong></td>
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<tr>
<td><strong>Net (Revenue)/Expense</strong></td>
<td><strong>14,865,077.98</strong></td>
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</table>

FY2018 changes: Hold open three staff positions; reduce one-time collections spending for general one-time resources, special collections, and SMFA; Web of Science negotiation savings; collections cuts/trim; suspend Fedora development funds; technology refresh savings. Total planned $750K.
There will also be other misc. savings of approximately $50K from spending slowdowns.
In addition, Tisch uses $450K each year of endowed collections funds. There is currently about $80K available from Friends funding. In addition to underwriting the annual Undergraduate Research Awards and Orientation Open House, this is used for new technology (e.g. 3D printing), furnishings, and special projects.