

**Minutes FAP Meeting #16 AY2016-17**  
**January 19<sup>th</sup>, 2017; 9 a.m. – 10 a.m.**  
**Faculty Governance Conference Room-SL225**

In attendance: Tanja Dominko (Secretary), Tahar El-Korchi (Chair), George Pins, Jeffrey Solomon - Executive Vice President/CFO, Kristopher Sullivan - Assistant Vice President Academic Affairs

1. Meeting was called to order at 9:00 am.
2. Agenda was approved as distributed.
3. Minutes from Meetings #14 and #15 were approved as amended.
4. Developing a format for operating budget presentation to the Faculty.

Deeper review of several areas of operating budget revenues and expenditures is of interest to the Faculty to better understand priorities that guide institutional spending, in particular allocation of resources to deliver on two main promises: 1. The TTT Faculty will deliver significant majority of credits to our students. The Faculty approved that commitment on April 14, 2011, and the Board approved it at its very next meeting on May 13, 2011; and 2. By 2018 we will increase research expenditures by 50% (WPI Strategic Plan, 2015).

The Committee agreed that budget allocated expenditures associated with the academic administrative structure and with Faculty size needed to fulfill the mission and research goals and will be discussed after respective reports are presented to FAP by the Provost and the COG subcommittee on Faculty growth at the end of February, 2017.

Mr. Sullivan reported that Provost's reports are progressing as planned and are being developed in collaboration with COG members (Profs. Gaudette, Loiacono and Richman). Data is being reviewed and the group is discussing how to best balance educational and research activities of faculty in the absence of a "loading plan". After guidelines for expected engagement of faculty are developed the group's proposal can better reflect needs for Faculty growth. Chair El-Korchi emphasized that expectation for an appropriate "load" should reflect appreciation for the broad spectrum of activities and should not be limited to one's research expenditures and credits delivered only. He added that adequate recognition of participation in WPI programs, centers, projects, big and small classes, advising and others represent important contributions to WPI educational mission; program delivery and nuances associated with delivery are complex and beyond the metric of credit numbers only. Prof. Pins commented that the number of credits delivered does not inform about the quality of delivery, and stressed the importance of maintaining our student/faculty ratios, small classes that allow for interaction between students and faculty, and other characteristics that have earned WPI recent national rankings. Mr. Sullivan assured FAP that complexity of faculty activities is being considered not only for educational activities, but research productivity as well. For example, in addition to research expenditures, one's scholarly publications, mentoring of graduate students, invited lectures and conference

presentations, among others, are being considered.

All the members agreed that we need to best utilize everyone's time and skills to deliver on the promise made by the Board of Trustees and by the Faculty.

Chair El-Korchi Tahar observed that administration has been attributing the reason for lack of Faculty growth over the past years to constraints of resources. After a substantial budget surplus in the past two years, the question was raised as to the use of these funds. Mr. Solomon explained that the surplus is used to replenish University reserves, currently at about \$25M. The use of reserves is discretionary and is prioritized during the Annual Planning and Budget Process (APBP). According to recent practice, reserves have been allocated to supplement major capital projects, such as construction (parking garage, recreation center), other capital investments, and will need to invest into the upcoming new enterprise management system (new Banner). Level of the reserves we need is guided by the recommendation of our rating agency, which considers 5% a reasonable operating surplus budget margin. Considering our budget to be about \$240M, \$12M in surplus would be appropriate. Currently we budget \$1M in surplus and \$3M in contingency, and the rest of the surplus results from conservative projections for revenues and projections on expenditures.

Mr. Solomon added that it is the University reserves funds that are being used for start-up packages for new Faculty.

In order to achieve institutional goals we will need to critically review current revenues and expenditures and identify a path to create a larger Faculty pool. The committee agreed to continue reviewing the budget after all the reports are presented: Provost's report on administrative structure and cost; Provost's and COG subcommittee on Faculty growth proposal for Faculty growth, and Faculty salary survey – all of which should be available at the end of February.

The Committee agreed that Faculty representatives to the APBP (Chair of FAP, Secretary of the Faculty, and Faculty appointee to the Budget and Finance Committee of the Board of Trustees) should advocate on behalf of Faculty in prioritizing University's resources. The Committee will consider developing a yearly report for APBP presentation to the Faculty.

Two budgetary items that the committee will review in the meantime include:

- Indirect cost return reinvestment into research activities model  
Currently 18% of received indirect cost is returned and shared between the PI (10%), Department head, (4%) VPR (2%), and Dean of graduate studies (2%). The committee will review alternative models employed by our peer institutions. We will invite the Prof. Vernescu, the Vice Provost for Research to join in these deliberations.
- Current cost of maintenance and servicing of research equipment. Maintaining research equipment operational at all times is pre-requisite for efficient and timely research, generation of data for publications and new proposals, progress of graduate student research and progress reporting to funding agencies. As we grow our research capabilities, we need to assure that our plan and resources for its maintenance grows in parallel. We cannot be faced with situations where non-functioning pieces of equipment are not serviced for months at a time.

Mr. Sullivan reported that two activities that will contribute to better management of equipment are already underway: a proposal for development of Cost Centers for core equipment and services to recover expenses associated with its maintenance; and inventory of computer-driven equipment that will enable development of an effective management plan. In addition, the committee identified the need to develop a more centralized maintenance and servicing schedules (and a corresponding budget allocation) for research equipment across campus.

5. Adjourned at 10:05 am.

Tanja Dominko, Secretary