

Minutes of FAP Meeting #22 AY2021-22

March 14, 2022

4:00 PM – 5:00 PM

Meeting Held Electronically via ZOOM

Members in Attendance: Tanja Dominko, Joseph Fehribach (FAP Chair), Mike Horan (Executive Vice President/CFO), Joseph Sarkis (FBC Co-Chair), David Spanagel (FAP Secretary; RPC Representative), Kris Sullivan (Associate Vice President for Academic Affairs)

Call to Order. Chair Fehribach called the 22nd FAP meeting of the year to order at 4:07 PM.

- 1) **Approval of Minutes.** After modifications were proposed and made to improve their clarity, FAP's Meeting #21 minutes were approved without objection.
- 2) **Class of 2026, Early Report.** CFO Horan reiterated that the incoming class enrollment size target is 1350 (+/- 25). Preliminary indications suggest that the plan to attract a more diverse class are on track, but this effort is anticipated to require an increase in the financial aid (a.k.a "discount") rate from 47% to 49% for that incoming class. Projections for graduate student enrollment numbers are flat for now, pending the completion of a more focused graduate enrollment strategy.

One FAP member asked whether the diversity goals for the undergraduates include specific kinds of diversity targets. CFO Horan mentioned a desire to reach the 40% threshold for women and the 14% threshold for students from underrepresented groups.

Another FAP member inquired about the net anticipated revenue impacts of attracting a smaller incoming class this year at the slightly higher scholarship rate. Conversation among the members noted that the total revenue from tuition may probably rise since the graduating class cohort is smaller than the projected size of this incoming class (even though Class of 2026 is intended to be smaller than the Class of 2025 turned out to be). CFO Horan noted that net tuition increased in AY 2021-22 by about \$6.5 Million; he projects the impact of these plans for next year's entering class will generate a further overall increase in net tuition of about \$3.5 Million.

For larger financial context, CFO Horan pointed out that inflation is likely to be a more significant budget factor which may force us to tackle strategic planning goals more gradually than originally hoped.

To recap, the other basic parameters that the Board approved back in October 2021 include a 2.5% increase in the undergraduate tuition rate, no changes in graduate tuition rates for this year, and a 2.5% increase in housing fees (room and board). [Note that the size of the salary pool for increases next year has not yet been determined.]

- 3) **High Earners' Compensation at WPI.** CFO Horan reported that he was not yet ready to present more detailed information to FAP to help illuminate and clarify the impressions they had taken away from Prof. Spanagel's data presentation and preliminary analysis of February 28. He hoped to have information available to share by next week's meeting.

In the meanwhile, one FAP member suggested that it might be helpful for FAP to try to benchmark the comparable compensation levels for top earning administrative positions at the set of similar schools that we refer to when periodically benchmarking salary levels for faculty categories [e.g. Case Western, Northeastern, RPI, RIT, and Stevens]. Another FAP member noted that the data needs to be traced in a longitudinal manner for these positions when held by a single person (both at WPI and at comparable institutions), so that the slopes of compensation increase over time can be assessed. This is the essential concern that lays at the heart of this agenda item – understanding the financial sustainability of compensation expenditures year upon year when they depart from the institutional norms and practices that ordinarily constrain that type of expenditure for all but a select category of employees. FAP members briefly discussed how they might muster the resources to carry out multiple institutional analyses for these executive administrative leadership positions. One FAP member agreed to look into whether faculty governance still employs any work study students who might be able to assist in this work.

- 4) **FBC Update.** FBC Co-Chair Joe Sarkis informed FAP that the Fringe Benefits Committee is working towards a motion that he will bring back to FAP regarding the employer retirement contribution rate.
- 5) **Adjournment.** The meeting was adjourned at 4:57 PM.

Respectfully submitted,

David Spanagel

FAP Secretary