

Minutes, University Budget Committee, April 9, 2020, Via WebEx

1. The meeting was called to order by Chair Holly Wei at 4 p.m.
2. Regular members in attendance were Holly Wei, Amy Frank, Cindy Elmore, Mark Sanders, Steven Garrett, and Uduak Akpan. Ex-officio members in attendance were Peter Francia, Becky Welch, Joe Gaddis, Susan Chapman, Rachel Baker, Stephanie Coleman, Sara Thorndike, and Jeff Popke. Guests included Puri Martinez and Marlena Rose.
3. Minutes of the March 5 meeting, with an addendum provided, were approved.
4. New Business:

Fixed-term faculty compensation: Faculty Senate Chair Jeff Popke, who chaired a UBC subcommittee on the issue, presented the subcommittee's findings, which had been provided in a written report to the UBC prior to the meeting, and reported the following:

Subcommittee member Peter Francia contacted the deans of ECU's colleges and schools to find out their policies regarding the handling of raises for fixed-term faculty members who advance in rank. In Academic Affairs, most fixed-term faculty hold teaching positions. In Health Sciences, most fixed-term faculty hold clinical positions. Only three of the colleges have formal policies on how such raises are handled; the others do not. A vast range in the raise amounts given to fixed-term faculty for advancement in rank was found, though they are typically far lower than the now-consistent raises given to tenure track and tenured faculty for rank advancement.

Subcommittee member Mark Sanders contacted peer universities to find out their policies and learned that six or seven have policies in place for how fixed-term faculty raises are handled for advancement in rank. Some universities reported that such decisions are left in the hands of individual departments or schools. Most with policies offer consistent percentage raises, rather than fixed-dollar amounts. Many of those contacted said they would like to have a formal policy.

In a typical year, ECU sees about 12 fixed-term faculty advancements in rank, though the numbers have been higher in recent years. Popke believes this might be because units have been asked to include specific language in their codes related to fixed-term advancement. It is not known how many have unsuccessfully sought advancement in rank. Popke predicted that the 12-per-year number would probably go up, particularly if a policy is established, making advancement-in-rank raises automatic. ECU has about 1,000 fixed-term faculty members; an estimated 300-400 do not have the terminal degree.

In general, the subcommittee found more disparity in those colleges and schools that give percentage raises than for those giving set dollar raise amounts. The subcommittee recommends ECU adopt a consistent dollar raise amount, as is done for tenure-track and tenured faculty advancement in rank raises. The subcommittee also recommends no difference in raise amounts between fixed-term advancement in rank raises in Academic Affairs and in Health Sciences. Instead, ECU should have a university-wide policy for the two divisions.

The recommendations were discussed. In answer to a question, Popke agreed that while ECU should have a “floor” amount for such raises, high-demand disciplines can add to the established raise amounts with their own funds. Popke added that it was only an oversight that the two libraries were not included in the chart. They would not be treated differently under the policy.

Given the current Covid-19 epidemic and its impact on university finances, Popke said it is a difficult time to recommend this policy change on campus. Moreover, the UBC would have to rush to get a policy recommendation to the Faculty Senate before the end of the year. As a result, he recommended pushing the issue ahead to next year and possibly combining it with other related policy changes under consideration by other faculty committees (such as consistent employment contract lengths for fixed-term faculty) so that all of the issues are aligned. It was agreed to move the issue forward to next year.

5. Updates

Vice-Chancellor Sara Thorndike was asked if she could provide an update of ECU’s financial situation, given the Covid-19 outbreak. She reported the following: ECU is seeing how things go almost weekly and is expecting a rocky road ahead. The budgetary priorities that were going to be put forward to the legislature have changed. For example, the new medical school building will no longer be requested. There will be little in the way of capital projects, and salary adjustments are “basically gone.” State budget cuts are expected for next year since state revenues will be down. While federal relief is coming, the amount expected is basically equal to the amount the university had to give back to students for their canceled dining and housing contracts. The transition of summer classes to DE also means the loss of about \$1.7 million in mandatory student fees.

All the auxiliary operations on campus, such as Dowdy Student Stores and the University Printshop (which do not receive state funds), are especially taking a hit. ECU will have significant financial challenges if the fall semester is online. While record enrollment had been expected in the fall, it is now believed that fall enrollment will be similar to last years. ECU was already planning for the budget reduction it expected in the fall as a result of last year’s enrollment drop. It will feel like ECU has to do more with less for a while. Any reductions in force are unknown and that decision will come from the state, which dictates how ECU manages any personnel changes. However, it is not clear that ECU can continue paying the

same level of expenses for months on end. While the state is supportive of employees, it has not attached additional funds to that support. ECU Physicians, which is integrated into ECU's budget, is also facing a significant potential loss of revenue. It can weather through it for a while but cannot go on for months and months. It may be the fall before ECU knows what direction it will get from the legislature. But if this changes over the summer, Thorndike said she would reach out to at least Popke for budgetary input. If UBC has input or recommendations about the losses at the auxiliary operations, the input would be welcome. Popke said he would keep the committee informed as more is learned.

Chancellor Search: Popke reported the following:

The searches for a new UNC system president and ECU chancellor are both on pause until candidates can travel for interviews. There is no timetable for resuming either search. Both UNC system president Roper and ECU interim chancellor Mitchelson have agreed to stay on until the searches are completed. The search consultant said the pool for ECU chancellor was robust, but did not elaborate, and has not released applicant names to the search committee. Some may withdraw under the current circumstances, and more nominations are being accepted. The search consultant said she would like to see more diversity in the pool, and BOT chair Vern Davenport has said he is open to extending the search or using a search firm if the committee is not happy with the pool.

6. The meeting adjourned at 4:55 p.m.