Report of the Faculty Senate Budget & Resources Committee
Spring 2018
Membership: James Conant, Shannon Davis, David Gallay, Tamara Harvey, Timothy Leslie (chair), June Tangney

The Budget and Resources Committee met throughout the year, focusing primarily on issues and communication surrounding the implementation of the University’s new budget model. The Committee also addressed concerns raised by the administration regarding the long-term capital plans.

Administratively, we were well-supported by SVP Davis and her office throughout the year. In particular, we interacted frequently with VP Harber and Director Coray from Human Resources, AVP and Chief Budget Officer David Moore, Facilities VP Frank Strike, and Parking Director Josh Cantor.

1. Incentive Based Budget Model Implementation

The Committee has been working with SVP Davis and her team on the new budget model. In particular, we met with SVP Davis and her team three times each semester to learn more about the budget model and to discuss a communication strategy for distributing information to the university community.

During the fall semester we received an in-depth presentation that provided the committee with an understanding of the due diligence that was conducted as the university reviewed and considered multiple budget models. The process was guided by an intent to support teaching and research, while encouraging accountability through clear lines of fiscal responsibility.

The university reviewed a number of budget models and decided upon an Incentive Based Model. This decision was based on the models clear alignments of revenues with the associated costs that would encourage entrepreneurship, emphasize efficient operation, and facilitate conversation about priorities. Mason’s implementation allocates tuition revenues based on 80% to the course code where instruction occurs and 20% to where the student’s major is offered. This allocation percentage was based on the previous five years of fund usage. At the end of each fiscal year, Mason’s Incentive Base Budget Model is populated with relevant dollar values. If a unit exceeds its revenue goals, the unit shares the excess with central – 80% of the excess returning to the unit and 20% transferring to central. The new model has completed its second year in operation and there is now sufficient data to share with the community.
Working collaboratively with SVP Davis and her staff, we developed a set of informational materials about the budget model. We then presented these materials to the Faculty Senate on March 28, 2018. In addition, SVP Davis will be hosting a town hall session at CHHS to discuss the new budget model and she expects to hold additional information sessions in the coming months. The committee asks that all faculty work with their respective Deans to coordinate with the SVP’s office to conduct unit-specific updates on Mason’s new Budget Model.

In addition to phase I of Mason’s Incentive Based Budget Model, we regularly received updates from two university working groups that have been asked to implement and make recommendations on phase II of the model: Research Indirect Model Committee and Multidisciplinary Model Committee.

The Research Indirect Model Committee has been exploring different incentives for the continued growth of the university’s research indirect funds. The recommendation from the committee is to incentivize faculty and units to continue increasing grant activity by substantially increasing the proportion of indirect funds returned to colleges and schools, once a historically determined threshold of recovered indirect funds has been met.

The Multidisciplinary Model Committee has recommended that cross-college multidisciplinary programs follow a model that establishes each degree program’s fixed costs for support, and the rest of the funds would follow the instruction / major split and distribution based on the tuition revenue allocation methodology established in phase I of Mason’s Incentive Based Budget Model.

Both plans are under final review for implementation before official release.

Phase I of the budget model accounts for approximately 55% of institutional finances and each new phase will bring in the remaining portions of the university’s all-funds budget. An example would be the work that has been done on the research indirect

<table>
<thead>
<tr>
<th>Unit</th>
<th>Revenues AY 2016-17</th>
<th>Expenditures AY 2016-17</th>
<th>Fund Balance, July 1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEHD</td>
<td>41.1</td>
<td>38.8</td>
<td>2.6</td>
</tr>
<tr>
<td>CHHS</td>
<td>32.0</td>
<td>30.9</td>
<td>3.9</td>
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<td>CHSS</td>
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<td>125.8</td>
<td>5.2</td>
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<td>COS</td>
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<td>71.4</td>
<td>8.7</td>
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<tr>
<td>CVPA</td>
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<tr>
<td>SBUS</td>
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<tr>
<td>ASLS</td>
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<td>15.4</td>
<td>0</td>
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</tbody>
</table>

Note: All values in millions
return, which now brings in those funds into the new budget model. Moving forward, we encourage Deans to be explicit about how they are using the budget model information, and how they are using the fund balances available to them. We encourage faculty to push for transparency regarding expenditures from their Deans. We encourage here the budget model outcomes for the 2016-17 academic year and the fund balances available to each unit as of July 1, 2017.

2. Facilities

In response to Faculty Senate concerns regarding capital expenses, and particularly elements of the construction plans surrounding Robinson Hall, the Committee was asked to be the Faculty liaison for comments, questions and concerns. Faculty have communicated concerns about research space, the shape and features of the new Robinson facility, and sufficient room to teach while major construction is occurring on campus. To their credit, central administration has proactively worked with the public-private partner, INTO Mason, to convert the ballrooms at the Global Center into classroom space for the coming year. Central also provided tours of the new Peterson building to discuss what features would also be present in the coming Robinson project, and worked to maximize usage of facilities such as the new Potomac Science Center located at Belmont Bay. Classrooms added in Global Center since 2014, Peterson in 2018 and two other temporary classrooms added in Robinson B in 2018 will provide a net increase of ten university classrooms prior to removal of Robinson A classrooms in summer 2018. The Robinson B building will not be demolished until all new replacement buildings classrooms are operational.

We also asked questions regarding the usage, availability, and plans for parking and transportation availability at Mason. Mason Parking and Transportation has formed a Transportation and Parking Working Group that has developed a strategy to address the short term parking challenges while continuing to work on long term strategies. These concerns are particularly important as the University undertakes a massive redevelopment of the central portion of the Fairfax campus. The impacts to parking from the Core Campus Projects will be along Aquia Creek Lane, although access to the Mason Pond Deck will be maintained for the duration of construction.

Overall, planning and schematics have been done in depth by Facilities. During the first and second weeks of April 2018 Faculty, Staff and Student Town Halls were held to communicate plans for the upcoming construction activities related to the core campus projects. Facilities Administration has been working proactively with Marketing and Communications staff to develop a comprehensive communication plan for the university community. The components of the plan include the Town Hall Meetings,
informational articles in the George, creation of a website (robinson.gmu.edu) where information is available about the Core Campus Projects, and a Frequently Asked Questions document under development. Project signs and banners will be added to the construction areas to provide information around what’s happening with regard to the Core Campus Projects.

3. GMU Foundation

A subgroup of the Committee met with Foundation communications members. We discussed the importance of communication the purpose and functions of the Foundation to the general faculty. This effort was taken up by the Faculty Senate Executive Committee after a midterm report of the Institutional Conflict of Interest Task Force. The first iteration of a faculty-directed FAQ is set to be published at the same time as this report.

4. Tuition and Fees

Mason was recognized by US News and World Report as among the top 20 most efficient universities in the country for 2018. For fall 2018, Mason is anticipating a tuition increase of 4.5-5.5%, with a final decision to come at the meeting with the Board of Visitors in May. This is a modest increase in tuition relative to other Virginia state schools which are considering tuition increases of 6-10%. For example, UVA is anticipating a smaller increase in terms of percent (3.3%), but because tuition for UVA is substantially higher, this translates into an increase of $530 -- about the equivalent of a 4.5% increase at Mason. University leadership is currently awaiting final passage of the Commonwealth 2018-2019/2019-2020 biennium budget before making further financial commitments. Proposed plans for shrinking the credit window discount for full-time undergraduates taking 13-16 credits were put on hold for the coming year. Nevertheless, we expect to see proposals during AY2018-2019 for implementation in fall 2019.

Central administration has also recognized that the diversity and number of different fees implemented at the university has become unwieldy, both in terms of the complexity with implementation within the University's accounting software as well as the optics of students receiving pages of fees as part of their enrollment. The process for ‘fee rationalization’ continues to be worked on with a goal to have partial implementation by fall 2018. The overall goal is to maintain academic standards while simplifying and combining fees where possible. With fees making up a notable portion
of course revenue in some sections of the university, this process merits further attention in the 2018-19 academic year.

5. Faculty Compensation

An annual task for our committee is the collection of faculty salaries to enable informed discussion of equity in compensation across the University. We asked for the same set of information that we provided last year, inclusive of rank, tenure status, and stipends. This year’s report from HR required a second quality control check after a number of faculty e-mailed the Faculty Senate chair to note deviations in their pay lines. We also noted substantial variances in titles within the report. These differences in titles suggest that an institutional standardization effort would be worthwhile after the final decisions are made regarding ranks on Term Faculty occurring elsewhere at the institution.

We made no effort to follow up on salaries paid to adjuncts this year. The current implementation of back-end IT at Mason still does not allow cross-querying compensation with the courses. This absence makes granular determining cost-of-instruction virtually impossible on a college or department level. It also limits the ability to discuss summer instruction costs.

Following up on Athletics fees from AY17-18, we asked Athletics Director Brad Edwards to make a presentation to the Faculty Senate regarding the academic contribution that Athletics provides. A joint presentation from Director Edwards and Faculty Senate Athletics Council Representative Dominique Banville is on the Faculty Senate agenda for the final meeting of the year.