

Administration & Finance
 Final Report to the Faculty Senate AY 2023-2024
 May 10, 2024

The Committee on Administration & Finance has oversight and advisory responsibility for all matters of budget and finances, and all questions of institutional priorities and resources. Members: One member elected by and from the Faculty of each School, the Chief Financial Officer or a designee (office) and a bargaining unit representative appointed by the President of the University (office). The bargaining representative role remained unfilled this year after the appointee resigned from the committee due to personnel changes and her appointment to management

Faculty Members

	ARHU (2023-2024 resigned) replacement (2025) TBD
Petar Dobrev	BUSN (2023-2025)
Dan Tulino	EDUC (2021-2023)
Harman Aryal	GENS (2023-2025)
Mary Kientz	HLTH (2023-2025)
Heather Perez	Library (2023-2025) and Union representative
Christine Thompson	NAMS (2023-2025)
Oliver Cooke	SOBL (2023-2025)
Non-Faculty- Diane Garrison	Executive Director of Budget, Financial Planning & Campus Services

*Incoming Chair Fall 2024

Meetings

Administrative support for scheduling monthly meetings was provided to coordinate the calendars of committee members. The Committee on Administration and Finance met eight times during the 2023-2024 Academic Year. Meetings were held in September, October, November, December, January, February, March and April. Diane Garrison generously kept detailed minutes of the meetings and agendas, which are attached to this summary as appendices. Meetings were held via Zoom. Meetings routinely highlighted fiscal updates from CFO Jennifer Potter, and an agenda topic.

Summary

- Taskforces/Audit
 - a. The Senate Executive Committee requested a full audit of taskforce activities and outcomes for the past five fiscal years to be conducted by the A&F Committee.
 - a. It was completed early Spring 2024, prior to the onboarding of Provost Palladino
 - b. The goal was to document what taskforces have been initiated, what has been accomplished by each taskforce, and if/how recommendations have been addressed by the Administration.

- Capital expenditures
 - a. Maintenance of proprietary equipment
 - b. Library common
 - c. Satellite properties upkeep

- Overall Fiscal Status of the University
 - a. The CFO and Executive Director of Budget and Planning provided monthly budgetary updates, offering transparency of the University's fiduciary responsibilities and sources of revenue.
 - b. Budget Cuts

- Office of Enrollment Management
 - a. Enrollment updates

- Graduation/Commencement Modifications
 - a. Graduate Ceremony returning to Campus

- Faculty funds
 - a. Internal Funding (Compass) suspended
 - b. Travel funds frozen

- Capital Projects
 - a. The committee met with Don Hudson to review the University's capital projects, budgeting and status. Don presented on upgrades across the university to ADA compliance, and the library commons. We reviewed cost and loan service along with bonds.

In Sum, the Committee met monthly, and addressed the current issues established for the committee's yearlong agenda including the audit of taskforces for the past five fiscal years.

Respectfully submitted to the Faculty Senate by Robin Hernandez-Melero, May 10, 2024

Appendix- Meeting Agenda/Minutes Attached Below



ADMINISTRATION & FINANCE
FACULTY SENATE COMMITTEE
Meeting Notes
September 25, 2023

Attendance:

Robin Hernandez-Mekonnen, Jennifer Potter, Diane Garrison, Petar Dobrev, Mary Kientz, Monika Pawlowska, Heather Perez

1. A&F Senate Committee Chair and Vice Chair – Robin Hernandez-Mekonnen
 - a. Robin is the Chair and Monika Pawlowska will serve as the Vice Chair.
 - b. Faculty Senate members introduced themselves.
 - c. Robin gave some background on the committee.
 - i. Purpose of the committee
 - ii. Leadership changes
 - iii. Accomplishments
 - iv. Shared governance
 - v. Partnership between Administration & Finance and the faculty.
2. Finance Update Jennifer Potter
 - a. FY23 Financial Results
 - i. Revenue & Expenses
 - ii. Realization% – Compared YTD activity to forecast.
 - iii. Revenue
 1. State Appropriation – Received additional \$3M for the Garden State Guarantee.
 2. Central Appropriation
 - a. Related to fringe benefits.
 - b. We record both revenue and expenses.
 3. Summer Gross Revenue – Came in a little higher than budgeted.
 - a. More difficult to budget because of Live, Work, Learn.
 - iv. Expenses (Operating only)
 1. Increase in Student Aid expenses because of the Garden State Guarantee.
 - a. Received additional State Appropriation revenue.
 2. FY23 actual surplus = \$2.9M
 - v. FY23 Capital
 1. Jennifer explained how carryforwards work and why our FY22 carryforward budget was so high (COVID and difficulty getting materials)
 2. FY23 Capital expenditures = \$13.4M

vi. How Capitalis Covered

1. Total Capital Expenses= \$13,356,942
2. Less: Operating Surplus= (\$2,922,446)
3. Available Cash and Investments= \$10,434,496
 - a. We had to draw down after

- b. Debt Service
 - iii. Debt service is included in the operating budget.
 - 1. FY23 actual expenditures = \$23,897,044
 - 2. FY24 budget = \$25,908,390
 - iv. Jennifer provided a brief overview of debt service.
- c. Travel Management Services
 - v. Needed to do an RFP because the spend exceeded the threshold.
 - vi. Don't have to use them, but the travel services vendor is available to help facilitate the process.

2. Topics for Fall Meetings

- a. Graduation Budget/Regalia
- b. F&A Allocations
 - i. Different thresholds for R&PD.
 - 1. How are the thresholds determined?
 - ii. Who funds the travel funds AA, F&A?
 - iii. Is there an assessment of the per faculty member allocation (e.g.,

- d. Capital Results
 - i. Budget
 - 1. Original budget = \$7.5M
 - 2. FY23 to FY24 carryforward = \$2.5M
 - ii. SportsCenterandNAC Pavilionprojectshavebeensuspended.
 - 1. Needto payfor the design.
 - 2. Lookingfor otherfundingsourcefor thoseprojects.
 - iii. FY24 spends at 38%, which is reasonable.
 - e. Summary(asof Septembe80, 2023)
 - i. Totaloperatingrevenue= \$265,198,526
 - ii. Totaloperating& capitalexpenditures= 276,827,240
 - iii. Deficit = (\$11,628,714)
 - f. Available Cash and Investments
 - i. Cash = \$104,218,156
 - ii. ThroughSeptembe80, 2023= \$125,927,050
 - g. CashForecast
 - i. Projecting to end June 2024 with \$8.7M.
 - 1. Year-end cash goal = \$15M
 - 2. Wouldcoverusandwouldn't haveto drawontheinvestment account or line of credit.
 - h. Strategic Budget Reductions
 - i. Strategic,not 2f2f teg&Reduc276,827
- f.

g.

- e. Member
 - i. Accreditation requires attendance and presentation at certain conferences.
 - ii. Faculty asked to what funding is available.
 - iii. Schools approach the funding differently.
 - iv. Maybe the Deans can share their best practices with one another.
 - f. Member– Inquired about prepayment for conferences.
 - i. A&F offer training in these areas.
 - g. Member
 - i. Asked if the application process could be streamlined.
 - 1. If their application exceeds the allocation, then it would automatically go to another funding source (travel, R&PD, etc.).
 - ii. Marissa shared SOBL's practice.
3. FY24 Finance Update (through October 2023)– Jennifer Potter
- a. Operating Revenue
 - i. On target, with most at 50%.
 - ii. We are anticipating a 5% enrollment decline and an increase in contractual salaries.
 - iii. Investment Earnings was a placeholder to balance the budget.
 - b. Operating Expenses
 - i. FY24 Budget Reductions
 - 1. Cabinet members were asked to reduce their hourly and non-salary budgets by 10%.
 - 2. Didn't achieve as much as we had hoped.
 - a. Achieved \$3.7M in reductions.
 - 3. Three Areas Not Reduced
 - a. Student Aid – Cannot decrease, will likely be over budget.
 - b. Fringe Benefits – May be over budget because we don't receive the new fringe rates until late October/November.
 - c. Campus Services– We are not breaking even now, so we cannot reduce the budget with the increased costs of food service.
 - c. Capital Projects
 - i. Sports Center and North Athletic Complex– President Joewould like to seek donors to help support some of our capital projects.
 - d. Budget Model
 - i. Now includes capital with operating.
 - ii. With capital, we started with a \$10M deficit.
 - iii. Had nearly \$4M in hourly and non-salary budget reductions as well as put the NAC capital project on hold.

4. FY25 State Budget Request – Jennifer &

- b. Task Force consists of faculty, staff, Board members, students, community members, and partners
 - c. University did an RFP for the AC Feasibility Study.
 - d. Members of the Faculty Senate shared their experiences and takeaways from the Task Force.
 - e. There was discussion on spacing for schools programs and faculty offices in AC.
2. Library Learning Commons
- a. Awarded \$19,526,807 to renovate the library into a learning commons.
 - b. Includes the following committees: Steering, Logistics, and Design Development
 - c. Timeline: Fall 2023 to September 2026
 - d. Need to evacuate the building/area and relocate those programs/departments to the spine.
 - e. Library will be closed for two full years.
3. Classroom Technology
- a. Awarded \$1,773,193 to upgrade classrooms and computer labs in B, C, and D wings.
 - b. Will start/finish this summer.
 - c. Upgrading furniture, finishes, and Wi-Fi.
 - d. Will be state-of-the-art

2. FY25 Enrollment

- a. Will have a better idea in May 2024.
- b. Looking at a 5% decline.
- c. Jennifer could invite Peter Baratta and Bob Heinrich to present enrollment numbers and projections/recruitment of students in the spring.

3. Finances

- a. Operating with Capital Expenses
 - i. We're facing operating deficits because of enrollment declines.
 - ii. Jennifer explained how revenues are remaining flat, but expenses are increasing, which will lead to operating deficits.
- b. Atlantic City
 - i. A committee member encouraged colleagues on the AC Feasibility Study Task Force to look hard at programs.
 - ii. Another member recognized that there are differing views between those on the Task Force that are fiscally responsible, and others that fully support Atlantic City.

4. Follett Update – Diane

- a. Follett Discover
 - i. FY23 = 700 titles
 - ii. FY24 = 1,150 titles
- b. Looking Ahead
 - i. Diane heard the feedback from this committee and conveyed it to Follett.
 - ii. Moving forward, Follett will automatically renew/readopt the textbooks and will communicate that in their messaging.
 - iii. If a faculty member wants to use a newer edition or change textbooks, they can update the information in Follett Discover.
 - iv. If there are no changes it will automatically renew and they will receive an email notification.
 - v. The price of textbooks is increasing. In FY23, the price of textbooks was \$450 (15% increase from \$385 in FY22). In FY24, the price of textbooks is \$522 (16% increase from \$450 in FY23).

ADMINISTRATION & FINANCE
FACULTY SENATE COMMITTEE
Meeting Notes
January 22, 2024

Attendance:

Robin Hernandez-Mekonnen, Jennifer Potter, Diane Garrison, Harman Aryal, Petar Dobrev,

- vi. Member– Is witnessing retention challenges in graduate courses too—not just undergraduate.
- vii. Member– Wonders if

- iv. Member– Are we seeing improvement from the dissolutions–NARTP, SASI, Seaview?
 - 1. Jennifer
 - a. NARTP
 - i. Was just dissolved.
 - ii. They were using our services.
 - iii. \$1.8M write-off
 - b. SASI
 - i. No one else had an auxiliary like SASI.
 - ii. SASI also had a write off.
 - c. Seaview
 - i. Any earned revenue was being consumed by the capital improvement requirements for the facility.

v. FY25 – Next Steps

- 1. FY24 cuts will not be restored.
 - a. Budget allocations sheets will reflect those cuts.
- 2. Divisions need to identify additional strategic cuts.
- 3. Develop a funding strategy for capital.
- 4. Investigate cost savings and alternative revenue streams.
 - a. Established a Budget and Financial Planning Advisory Committee.
 - b. Welcomes ideas/suggestions from this Committee.
- 5. Identify implementation strategies.
- 6. Communicate with the University community.
- i. Alternative Revenue in Higher Education Ideas
 - i. New educational revenues
 - ii. Academic entrepreneurship infrastructure
 - iii. Branding, licensing, and affinity
 - iv. Auxiliary services
 - v. Student fees
 - vi. Campus operations
 - vii. Facilities and real estate

3. Spring Meetings and Agenda Topics

- a. February 28th – Budget Update
- b. March 21st – Budget and Enrollment Updates
- c. April 24th – Budget and Facilities Updates

4. Other Meeting Topics (from Members)

- a. Police
 - i. Would Galloway be willing to help us?
 - ii. Not all campuses have their own private police department.

- b. Administrative Cost Centers
 - i. Vacant faculty positions contribute to low morale.
 - ii. We're increasing personnel in certain areas but would like to see more help on the faculty side.
- c. Climate Survey
 - i. Showed low morale among the faculty.
 - ii. There was discussion regarding management support personnel and faculty.
- d. Enrollment and Tuition
 - i. Inquired how we can maximize our online, out-of-state tuition potential.
 - ii. Can we offer discounts/incentives for first-year students?
 - iii. How can we attract more out-of-state students?
- e. Jennifer encouraged anyone who had questions or suggestions to reach out; she will be happy to meet for further discussion.

ADMINISTRATION & FINANCE
FACULTY SENATE COMMITTEE
Meeting Notes
February 28, 2024

Attendance:

Robin Hernandez-Mekonnen, Jennifer Potter, Diane Garrison, Petar Dobrev, Mary Kientz,
Heather Perez, Christine Thompson

1. Open Discussion
 - a. Fellow Positions
 - i.

- v. SummerGrossRevenue
 - 1. Split betweentwo fiscal years.
 - 2. 70%/30%
 - vi. CampusServices– Anticipatereachingthetargetthroughcateringand AC parking.
 - b. Operating Expenses
 - i. Achievednearly\$4.4Min budgetreductionsthroughouttheentire university.
 - ii. We overspenStudent Aidby \$4M.
 - 1. Offers/aidis put on thestreet—difficult to predictwhatwill be accepted.
 - 2. Thereweremoreoffersacceptedthis yearthan in prior years.
 - 3. Thenumerof appealsdoubled.
 - a. Appealsoccurwhenstudentsshowofferingsfrom different schools and ask if Stockton can match those offers.
 - c. CapitalBudget– Lessthanpreviousyears.
 - d. OperatingandCapitalModel
 - i. Havecashto coverit.
 - ii. If we don't havecash,we canusethe reserves(requiresBoardapproval).
 - iii. BudgetReductions– Cutsto hourly, non-salary(operations)andcapital.
 - e. ForecasSummary – Have cashb cover the deficit.
 - f. Cash
 - i. Ended FY23 with \$26.2M.
 - ii. FY24 = \$9.3M (forecast)
4. Follett Bookstore – Diane
- a. Spring2024– MissingAdoptions
 - i. Sometextbookadoptionswerenot entered.
 - ii. Whenadoptionsarenot enteredit delaysstudentsfrom receivingtheir course materials.
 - iii. Reasonsfor missingadopt

- iii. Follett offers a Price Match Program.
 - iv. If a student shows proof of course materials at a cheaper price, Follett will match the price.
 - c. Bookstore Revenue
 - i. It's important to support our campus service partners.
 - ii. Stockton earns a commission on sales.
 - iii. This is part of our budgeted Campus Services revenue.
 - iv. When students are encouraged to purchase their course materials from other vendors or the publisher, Stockton loses potential commission revenue.
- 5. 2024 Annual Tuition Hearing
 - a. Conducted a Qualtrics survey in previous years, but received minimal responses.
 - b. Will be conducted on April 7th.
 - c. Will be approved by the BOT at the June 26th meeting.
- 6. New Fiscal Monitoring Law – Jennifer
 - a. Requires NJ public institutions of higher education to submit an annual fiscal monitoring report.
 - b. Authorizes the Secretary of Higher Education to appoint a State monitor.
- 7. Amendment to the FY24 Capital Budget – Jennifer
 - a. Housing 4 Geothermal Project
 - i. Geothermal renovations are necessary to address an aging mechanical system.
 - ii. The total project budget is \$2.4M.
 - b. Academic Classroom Technology Project
 - i. Receiving a makeover for technology improvements, furniture, and fixture upgrades to A-wing, B-wing, C-wing, D-wing, Alton Auditorium, and the C/D-wing atrium.
 - ii. Stockton is covering \$554,917 for furniture and fixtures.
- 8. Next Meetings
 - a. March – Bob Heinrich
 - b. April – Don Hudson
- 9. Elections – Announcement of the upcoming elections was made.

ii. New Strategies

1. Increase the yield (conversion of admitted to registered).
 - a. Enhancing communication
2. Increase number of high school students through dual credit.
 - a. Will offer placement (f)-1 / L Body <>> BDC 0.07II

- 2. FY24 Finance Update– Jennifer
 - a. Operating Revenue 87% realized
 - b. Operating Expenses 83% realized
 - i. Student Aid was over-spent.
 - ii. Forecasting \$270M in expenses.
 - iii. Savings are built into that forecast.
 - c. Capital
 - i. Just approved two new capital projects through Board resolutions.
 - 1. Need to repair the geothermal system in Housing 4.
 - 2. Classroom Technology project includes furniture and fixtures (funded internally).
 - d. Forecast Summary
 - i. Deficit = (\$12.6M)
 - i.

ADMINISTRATION & FINANCE
FACULTY SENATE COMMITTEE
Meeting Notes
April 24, 2024

Attendance:

Robin Hernandez-Mekonnen, Jennifer Potter, Diane Garrison, Don Hudson, Petar Dobrev, ChristineThompson, Oliver Cooke, Monika Pawlowski (joined at 1:48 p.m.), Heather Perez (joined at 2:24 p.m.)

1. RobinHernandezMekonnen

- a. This is her last meeting.
- b. Petar will be the new Chair of this committee.
- c. Robin will be the Vice-Chair next year and will support Petar.

2. Jennifer Potter

- a. No finance update for this meeting.
- b. FY2025

- i. Templates have been updated
- i. hauc (the Vigil) and (for) 12092 (6) F27.55c (0) TW 4.33

5. Relocations- Spreading everyone out.
 - a. Production Services
 - b. Graphics
 - c.

- c. Hired two consultants:
 - i. Elysian Consulting Group – Will solicit funding sources.
 - ii. Kennedy & Company Innovative Strategies for Higher Education – Academic consultant
- d. Conducted a campus survey.
 - i. 966 respondents
 - ii. Generally AC

- c. Easy Readopt
 - i. Based upon feedback and recommendations from this committee, Diane asked Follett how readoption could be streamlined.
 - ii. Readoptions and e-mail reminders will now be