

Financial Committee: August 29, 2024

Steven Karpowicz: Chair

Members: Elizabeth Valenzuela, Rey Martinez, Siri Gurunam Kaur (Secretary).

Ex-officio Member: Stephanie Gonzalez (Absent).

Andre Garcia Nuthmann has been elected to the Financial Committee by the Faculty Senate. Representation from the music department. In communication with this new member, he can attend meetings after 4 PM due to class schedule.

April 29, 2024 minutes approved with the correction of who was present. Elizabeth was present at the 4-29 meeting and Rey was absent due to office hours. Ram had joined the group at the 4-29 meeting, but left NMHU for another job.

Stephanie was unable to attend this meeting due to budget constraints she needed to attend to. Steven will meet with her on Wednesday, September 4 at 9 AM to review today's information.

The committee nominating Steven to continue in the chair position and Siri to continue as secretary for the meetings.

One of the topics from the April 29 meeting that was brought up in Faculty Senate (8-28-24) was the amount of tuition and fees per class brought in to the university. This is a new charge for the Financial Committee.

Steven emailed the report based on the Faculty Senate's Charge from Fiscal Year 2023-2024 out to the financial committee in May for their suggestions and approval. He wanted to wait until everyone could review the report and vote on the content before emailing the final report out to the Faculty Senate. Lauren Faith requested a copy of the report draft in preparation for the Union negotiations this summer (2024). A copy of the report was emailed to both Lauren and Kathy Jenkins. The information within the report was helpful in the union negotiations for faculty salaries.

The Financial Committee was charged to review university reports and collect information on Administration position additions, of title changes, and salary changes over the last 5 years. The report is 24 pages long. The process and collection of data involved the review of university budget reports and meetings with Stephanie over Fiscal Year 2023-2024. Collection of data on the organizational charts was a challenge by researching on-line. The organizational charts were accessed through PayCom with the help of Stephanie. Steven was able to access the current organizational charts. Through this process some interesting facts revealed itself. Ex: the co-athletic position was created late in the spring and thus were not included in the preliminary budgets that were available at the time. The dark out lines in report had positions underneath and the dotted lines were new positions or positions that were not listed as administrative positions for the sake of the budget. Steven will email out the updated draft.

The report has data trended over time starting 10 years ago. Exhibit E in the budget list the salaries for Executive Positions. The categories are Instruction, Principal Officers, percent increases year over year, Salary versus time, year over year comparisons, and percent increases between the years. There were inconsistent changes for salaries during the budget year 2020-2021. After 2020-2021, the salaries were more consistent over the different categories, like the Deans. Those salaries for positions serving the students were quite different. The Institutional Support (President, Provost, top VPs) some positions were created and then moved around. The drop in the line was when Stephanie was hired compared to

when Max Baca had left the position. The Position, VP of finance was filled at a lower starting salary than previously therefore creating a negative representation in the table. It was not a salary cut but a lower starting salary than the ending salary of the previous person. So, considering a year- to- year comparison, the table shows a negative percentage.

Steven attempted to identify some of the categories in the budget that showed significant changes in salaries over the years through plotting. What caused these changes? Example: the construction of the professional salary for the VP of forestry came from Instruction in Forestry, contradictory from what we were told in Faculty Senate last year that it was an administrative position (maybe) but it was actually being paid as an academic salary through the department of forestry. There have been big changes in the salaries the last few years in the Department of Social Work due to the mis-categorized within the grant money budget system. With the corrections within the budget system the corrected salaries are being labelled as professional salaries. This would be due to the adjustments to the Title IV E situation in social work. The situation in social work resulted in the creation of the time-effort reports. There was the need to re-categorized the grant money.

This could explain some of the big changes in labelling. With the alternative teacher licensures, this has been growing from year to year, partially due to the increase in FTE salaries. These are not listed as faculty salaries but as professional salaries, so being paid outside the normal faculty positions. There is the director and then there are the supervisors within the Alternative Teacher Licensure. It is the supervisors that go out to the schools and supervise the teachers who are already licensed to teach within those schools.

Orientation: This position before in 2012 did not exist. The position involves the HLC accreditation director and assistant director.

There is a growth in the business office yet the actually number of FTEs has remained the same. The big one heard during Faculty Development Days was that the outdoor recreation center somehow promoted the person who was working there to be a VP of Outdoor Recreation. How did this happen. Director to VP? There is going to be an increase in that position salary.

We may want to send to the Faculty Senate a copy of the current version of the report so they have it. We may want to get the final budget from last year in order to update this report with the most recent numbers before sending the report out to the Senate. Another big increase is with the athletics compliance. It has really grown from 1 FTE 12 years ago. Now there are 6 people doing that job. Faculty Senate could ask the question, "How much of this increase in FTEs is necessary and legitimate"? Has there really been a growth in the demand for athletic compliance or is there the creation of new jobs without the evidence to support the increase?

Question: Has there been any donations that have been earmarked for specifically for Athletics with conditions? Maybe conditional position increases based on the type of donation. Conditional donations considering future projects. We do not have the numbers of athletic student's participation in these activities which would warrant the increase in personnel. What income is brought into the university through athletics? What is the return on investments (ROI)? We need to address this this year.

There is a line item that is titled, "Other Salaries" without a description. What is this?

The report has a comparison of different categories, total salaries. The professional salaries are greater than faculty salaries in the budget. What is the description of professional salaries versus faculty salaries? What does the professional salaries entail versus the faculty salaries?

FYI: Up until 2022, nurses would receive \$1500 per credit hour versus the \$1000 when teaching an overload course. Unsure how the nursing department had advocated for that amount unless Dr. Williams had pushed for that amount based on the amount nurses can earn outside academia. Maybe this was negotiated as "professional" salary versus what faculty earn through the CBA. There is a large difference between the salaries of faculty nurses and professional clinical nurses working in the outside work.

In the budget, it lists every department types of salaries, part-time, full-time, professional, etc. Often times in departments there is a mix of professional and full-time faculty salaries. There is a total number and the number of FTEs associated with that. At the very end of the budget there is a sum. That is what the graphic shows in the report.

It is unknown if overload payments for full time faculty are included in the professional salaries.

Steven attempted to do some normalizations of the FTEs. There are some unusual discrepancies. Those discrepancies indicated that "things" were not counted correctly a couple of years ago. Particularly during COVID and the on-line situation. The obvious notable thing is that historically faculty were paid more per FTE than professional salaried employees. This changed in 2020-2021 where it was inverted where professional salaries were higher than faculty salaries. The change in 2023 was due to the FTEs were not fully complete for the draft budget. The union brought up the situation where professional salaries were higher than the faculty salaries. Also, technical salaries as well.

The report has year to year total amounts as well as year to year increases.

The report will be emailed out to the group for final approval before emailing out to the faculty senate.

Dr. Woolf is interested in data driven decisions and transparency.

The committee members decided to move the report forward to the faculty senate.

Steven wants to get the final numbers from the final 2023-2024 budget as well as the new organizational charts.

This committee was given information at the faculty senate on Wednesday, 8/28. Dr. Woolf stated that over the next couple of weeks they will be addressing the budget because of the upcoming long session of the legislative session. Starting in January. Supposedly there are some very large budget surpluses in the state. Administration is anticipating a 2 to 5% increase in the I & G budget. Although there will be an over all increase in the budget, there are some one-time moneys for special projects. Departments will benefit by sending to David Lepre and Brandon Kempner any departmental needs, ex, instrumentation, supplies, projects. Barin store- Think big. The only requirement is that the requests are tied into the university mission. Last week the president sent out his bi-weekly email with the triangle. The departmental requests would need to be tied into 1-3 of the values, regional responsiveness, Academic excellence, and culture of opportunity as it relates to our students. Send this as a department requests to both Brandon as Chief officer to the president and to David Lepre, who is the marketing and government relations.

The university is under enhanced physical oversight with the state because of the budget problems. The audits have not been performed properly. The state is monitoring the university's budget. The university has been able to build its reserves back up and the state is happy with how the university has progressed. With the increased from the state, this will help with getting our budget back in order. We are not a deficiency, but rather we have had to draw from the reserves for some one-time needs.

It was asked at Faculty Senate what the return on investments on some of the hires and initiatives. This question was asked when it was stated that the university had a 1% enrollment increase this year.

The formal charge that we did receive from Faculty Senate was the following:

- 1) What are the minimum class enrollments to allow a course to take place.

The English department mentioned that several of their summer courses had cancelled because of low enrollment. There is the understanding of concern for enrollment issues in the summer time because the university has to pay someone to teach the course so there needs to be enough enrollment to pay the faculty salary. During the academic year, we are salaried, so the number of students in a course does not impact the amount that faculty gets paid. According to the provost, the minimum numbers of undergraduate course is 10 students and in a graduate course is 8 students. It was stated that this was a national standard. According to some sources above numbers were developed by someone else. The numbers seem arbitrary.

The financial committee was charged with finding out what is the income and expenses for all the courses in order to determine each course minimum. We need to be careful with this charge because some departments are larger than others. Beginning courses normally have larger numbers of students than some of the advanced level courses. Need to determine the cost of course based on how the course is taught, online versus face-to-face. We will need to discuss how we want to approach this analysis. We can brainstorm this at our next meeting. The course minimums are not to be hard and fast rules, but more of a basis level of recommendation based on the departments and students needs to provide the needed course to graduate.

In the nursing department, we have taught classes with a minimum of 5 students at the undergraduate level. Normally it is taught as an overload. Unsure how much a per course faculty member is receiving for pay.

We need to find out what are all the factors need to work the data.

The early childhood courses get filled up very rapidly, but the elementary school classes do not have as high of an enrollment. A consideration is that if classes are cancelled and the student can not graduate, we are not only losing that student but also through word of mouth, we are losing other potential students. According to Roxanne, the minimum number is up to the schools and the deans. Need to determine the Short and Long-term return on investment. Example: in the DEI meeting one of the native American students have said that there have been students who do not come back because of the cancellation of courses and lack of support.

Need to consider the ROI for the high salaries of administration when students are not returning because of issues or through word of mouth not returning at all.

The next week will be scheduled for Thursday, September 19th at 400 PM.