

**Presented to Faculty Assembly**

*OPERATING BUDGET ISSUES/HNS DRAFT*

February 2010

This report will focus on two sets of figures for addressing the HNS operating budget. The first is the Division of Academic Affairs Operating budget for the College that the Dean receives each year. The second is the operating budget, called the “Other budget,” viz. the total budget for the college or the university minus the faculty salary budget as reported on the University Program Support Page. This report seeks to be consistent by addressing each set of figures separately.

**I. HNS Operating Budget for 2009-2010:**

|                                | Aug. 2009 | Feb. 2010 |
|--------------------------------|-----------|-----------|
| <b>Dean's Office</b>           |           |           |
| Computers                      | \$52,200  | \$6,212   |
| Faculty Travel                 | \$75,000  | \$3,000   |
| Unallocated Budget             | \$20,354  | \$19,096  |
| Dean Operating Budget          | \$42,127  | \$8,900   |
| <b>Total Dean's Office</b>     | \$189,681 |           |
| <b>Departments and Centers</b> | \$163,900 |           |
| <b>HNS Operating Pool</b>      | \$353,581 |           |

The operating pool for the College of Humanities and Natural Sciences for 2009-2010 is \$353,581, with two new items not included previously--the New Orleans Review (\$10,800) and the Latin American and Caribbean Studies Center (\$21,000), which was added as a '09-'10 initiative. This budget resulted after a 10% reduction of \$36,509 when compared to the 2008-2009 budget. The dean distributed \$163,900 to departments and centers budgets, including \$25,000 for the Latin American and Caribbean Studies Center and \$10,800 for the New Orleans Review. The remaining \$189,681 was distributed as follows: \$52,200 was dedicated to computers, \$75,000 to faculty conference travel, and \$20,354 in unallocated monies (to be dedicated to Bobet Fellowships). The remaining funds of \$42,127 represent the Dean's office operating budget. The revised operating budget for the Dean's, however, in the 8/31/09 Financial Record was \$25,926. The difference between these two numbers ( $\$42,127 - \$25,926 = \$16,201$ ) needs to be investigated. This 2009-2010 budget is the result of an overall 28% operating budget cut-back between 2005 and 2010 at the university level. A review of the ten departmental budgets in Arts and Sciences that remain in HNS from 2004, compared with the current budgets, shows a 38% drop in funding at the departmental levels since 2004. As of this

point in the fiscal year (6 months into it), the Dean's Office currently has a balance of \$8,900, plus approximately \$3,000 remaining in the travel budget, \$6,212 in the computer budget for the remainder of the year, and \$19,096 in the Dean's unallocated budget, an amount that has been set aside for Bobet Faculty Fellowships for the summer. Because of the very small amount of the remaining budget, we may have to expend the unallocated budget on operating; if so we will be unable to fund fellowship monies for faculty (Bobet Fellowships) for one-two months of research in the summer. For the past four years, at a minimum, these fellowships have been given out on a competitive basis. Whereas in the past the fellowship award amount was \$5,000, this past year we were only able to provide fellowship monies of \$2,500. The dollars for these fellowships are based entirely on resources from the unallocated budget, unexpended operating budget monies and/or monies from the Annual Fund.

**II. "Other Budget":** Rather than look only at a snapshot comparison of one college with another, we have tried to gather financial information that would allow us to compare budgets across all the colleges and within the larger university budget. The information that we have at hand comes from the fall 2008 Program Support page (<http://www.loyno.edu/oir/intranet/program-support-page.html>). These figures, while a year out of date, are nonetheless consistent across the University. Excluding salaries and looking only at the "Other Budget," defined as the total budget minus faculty salaries, HNS has the lowest budget of all the colleges, viz. \$739,300, with the College of Music and Fine Arts next lowest at \$775,700. In comparison, Social Sciences has an "Other" budget of \$1,630,700. HNS has, however, the largest number of FT Faculty and the largest number of FTEquivalent Faculty. In the fall of 2008 HNS had 98 FT Fac and 110.8 FTE Fac, approximately 40% of all the FT Fac and 35% of all the FTE Fac at the University.<sup>1</sup> HNS houses between 35-40% of the University faculty but receives only 11% of the non-faculty salary budget of the University.

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<sup>1</sup>With the hiring of additional faculty in the summer of 2009, this percentage may have increased. HNS currently has 120 FTE faculty.

|                            | <b>Total Budget</b> | <b>Faculty Salaries</b> | <b>Other</b> | <b>FT Fac</b> | <b>Other/FTFac</b> | <b>FTEFAC</b> | <b>Other/FTEFAC</b> |
|----------------------------|---------------------|-------------------------|--------------|---------------|--------------------|---------------|---------------------|
| HNS                        | \$6,613,000         | \$5,873,700             | \$739,300    | 98            | \$7,544            | 110.6         | \$6,684             |
| SS                         | \$4,557,800         | \$2,927,100             | \$1,630,700  | 41            | \$39,773           | 65            | \$25,088            |
| BU                         | \$3,430,000         | \$2,604,400             | \$825,600    | 27            | \$30,578           | 29.3          | \$28,177            |
| MA                         | \$3,478,200         | \$2,702,500             | \$775,700    | 38            | \$20,413           | 67.3          | \$11,526            |
| LAW                        | \$6,863,500         | \$4,071,900             | \$2,791,600  | 38            | \$73,463           | 40.3          | \$69,270            |
| SS*                        | \$2,394,600         | \$1,965,800             | \$428,800    | 27            | \$15,881           | 39.1          | \$10,967            |
| *No LIM or Nursing         |                     |                         |              |               |                    |               |                     |
| SS**                       | \$2,104,500.0       | \$1,739,500.0           | \$365,000    | 25            | \$14,600           | 35.4          | \$10,311            |
| ** No LIM, Nursing or CNSL |                     |                         |              |               |                    |               |                     |
| University                 | \$25,331,000        | \$18,568,000            | \$6,763,000  | 242           | \$27,946           | 312.5         | \$21,642            |

The amount of “Other” budget per FT Fac in HNS is \$7,544. The University as a whole has a non-faculty salary budget of \$27,946 per FT Fac, nearly four times the budget in HNS. Social Science’s Other/FT budget of \$39,773 per FT Fac is more than five times that of HNS. Excluding LIM, Counseling and Nursing, the budget/FT Fac for Social Sciences (\$14,600) is still approximately double that of HNS, while Business and Law have budgets/FT Fac that are 4x and nearly 10x greater respectively.

The amount of “Other” budget per FTE Fac in HNS is \$6,684. The University as a whole has a non-faculty salary budget of \$21,642 per FTE Fac, more than three times the budget in HNS. Social Science’s Other/FTE budget of \$25,088 per FTE Fac is almost four times that of HNS. Excluding LIM, Counseling and Nursing, the budget/FTE Fac for Social Sciences (\$10,311) is over 150% of HNS, while Business and Law have budgets/FTE Fac that are 4.2x and 10.5x greater respectively.

Similarly of concern is the HNS Other budget/12 credit equivalent student which is \$427 per student, while the University as a whole spends \$1,506 per student. The Other budget/12 credit equivalent student for Social Sciences is \$1,923. The figures are somewhat similar for the Other budget/Equv stu 16. Yet, HNS FT students represent 39% of the total number of 12 credit equivalent students and 36% of the total number of 16 credit equivalent students. HNS teaches over one-third the students at Loyola and is responsible for approximately 55% of the University’s undergraduate tuition revenues<sup>2</sup>but receives a non-faculty salary budget that is 11% of the entire University non-salary budget. Even with its larger number of faculty and therefore larger salary pool, HNS receives only 32% of the faculty salary pool (for 40% of the FTE Fac), while bringing in 55% of the undergraduate tuition revenues.

<sup>2</sup> Not including the Law School, LIM, Nursing, and Counseling undergraduate tuition revenues are approximately \$40 million and HNS brings in over \$22 million of these revenues To calculate these values we used \$12,769 as average 2008 tuition after discount.

|                               | Other       | Eqv stu<br>12 | Other/<br>Eqvstu12 | Eqv st 12<br>tuition*** |
|-------------------------------|-------------|---------------|--------------------|-------------------------|
| HNS                           | \$739,300   | 1731.8        | \$427              | \$22,113,354            |
| SS                            | \$1,630,700 | 848           | \$1,923            |                         |
| BU                            | \$825,600   | 551.8         | \$1,496            | \$7,045,934             |
| MA                            | \$775,700   | 511.3         | \$1,517            | \$6,528,790             |
| LAW                           | \$2,791,600 | 847.6         | \$3,294            |                         |
| University                    | \$6,763,000 | 4,490.60      | \$1,506            |                         |
| SS*                           | \$428,800   | 373.5         | \$1,148            | \$4,769,222             |
| *No LIM or Nursing            |             |               |                    |                         |
| SS**                          | \$365,000   | 329.2         | \$1,109            | \$4,203,555             |
| ** No LIM, Nursing or CNSL    |             |               |                    |                         |
| *** Eqv stu 12 times \$12,769 |             |               |                    |                         |

In order to update these results, we would like to request the 2009 Program Support information for the fall of 2009 to see to what extent the above analysis continues to hold. Presumably, with the 9.6% decrease in operating, along with the increase in faculty and students, the non-faculty salary budget allotted /FT Fac and per FT student in HNS will be even lower than was the case in the fall of 2008.

**III. Concerns and Advances in HNS:** There are additional inequities that have led many of the faculty in HNS to conclude that HNS is subsidizing the rest of the campus. It is our understanding that HNS received last year only 17% of the merit pool last year. This suggests that 60% of the faculty and staff are receiving 83% of the merit pool, while 40% of the faculty and staff are receiving the remaining 17%. As of the fall 2009, average salaries for the Ordinary Faculty at Loyola are \$80,000, while those in HNS are \$63,000. These salary differentials are well understood by the faculty, although the disparities in the operating budgets are not widely known.

There are some major steps that have been taken to address the issues relating to HNS. The first has been the increased hiring of faculty (10 Ordinary and 5.5 Extraordinary) in 2009 with current searches for 7 additional Ordinary and 2 Extraordinary faculty for next year a total of 24.5 full-time, thereby substantially addressing the 26 positions lost since 2006. Of those one tenure-track faculty (Uriel Quesada) is a completely new position; 2 ½ Extraordinary positions are also new (Cynthia Garza; new Forensic Chemistry hire and new Jewish Studies one-year hire). On the other hand, two of the new extraordinaries for this academic year will have their positions collapsed into the new hires for next year, thus reducing the total of 24.5 to 22.5.

Another initiative that has the potential to help HNS is the effort to address compression, with an estimated half of the compression dollars going to HNS. This will provide an

additional approximately 1.5% to the salary pool on top of the budgeted 2% merit increase for 2010-2011. A future equity study, on a discipline by discipline basis, has the potential for further addressing salary inequities in HNS and elsewhere on campus.

Therefore, the primary concern of this report is the inequity in the operating budgets and in “Other” budgets between HNS and other colleges at Loyola. **Motion passed at the HNS College Faculty Assembly 1/21/2010**

1. Recommended that, should the number of incoming students for the fall of 2010 be above the 800 new first year students, and, as a result, additional tuition revenues accrue to the University, those revenues fall to the academic budget, particularly to restore the post-Katrina budget cuts to the operating budgets of under-funded colleges, especially HNS.
2. Recommended that, in order to address inequities in operating budgets among colleges, the appropriate University entities, working with a committee of the faculty, set aside a significant % of any increase in operating budgets over the next five years to address operating budget inequities among all the colleges as well as those particularly relating to HNS.
3. Pursuant to recommendations #1 and #2, the College also requests that the University report yearly on the progress of these measures, including a breakdown of the total dollars of support spent per student in each of the colleges, with and without faculty salaries, and a comparative report on each college’s operating budget addressing budget inequities among all colleges.