

Minutes of the Meeting
Of the
Planning and Budget Committee
Of the Hofstra University Senate
Thursday 21 February 2019 901D Axinn Library

Present:

William Caniano	Committee Chair and Library services
Sabrina Sobel	Chemistry
Geoff Tarson	RTF
Sleiman Ghorayeb	Engineering
Keun S. Lee	Zarb
Elisabeth Ploran	Psychology
Kathleen Wallace	Chair of Chairs Caucus Philosophy
Joe Barkwill	VP Facilities
Richard Apollo	Provost Office
Gloria Hoover	153 rep
Dolores Fredrich	President's Office
Kathy Hennessey	VP Finance

The Chair called the committee into session at 3 p.m.

Chair Report

No report

Approval of the Minutes

Approval was bypassed and will be done at the next meeting

Discussion Items

Joe Barkwill construction update:

- New business bldg. is now open.
- Weller Hall is the process of being renovated estimated completion Summer 2020
 - Future residents will be INTO and the Career Center
- CV Starr to be renovated over the summer of 2019
- The Library Curriculum Material Center will be moving into the Axinn Library. The space vacated will be used for a virtual anatomy lab.
- Student Center East will be undergoing some landscaping

- The intersection near the University Club will be reconfigured to address traffic/accident issues.

Kathy Hennessey Report

The strength of the University's financial condition is reflected in debt ratings of A2 by Moody's and an A rating from Standard & Poors.

- Growth in net assets of \$81.1 million, or 10.9%, largely reflecting gains on investment portfolios, strong private giving, positive operating budget results, and gains from actuarial assumptions on the postretirement obligation.
- The Endowment and Long-Term Investments rose to \$638.5 million, a \$53.7 million increase or 9.2%,
- Endowment investments had a return of 9.5% and endowment spending for the year was \$22.6 million, up from \$18.9 million in 2017.

Question from K. Wallace: Where do endowment earnings go? 54% to scholarship, then debt service, faculty endowed chairs and endowed professors, specific support for academic programs.

- Expenses were virtually flat, increasing \$0.5 million or 0.14% over the prior year, including salary and benefit increases of 1.8%, below the established budget.
- Net Tuition Revenue increased by 1.1%.
- Net Tuition Revenue projection for 2018-19 is negative.

Enrollment in Graduate Programs specifically Zarb decreased again in 2017-2018. It is hoped that INTO will arrest this decline.

(Could ramp up to 500 students, but INTO does not state a timeline. Put in context: Hofstra has lost 300-400 Chinese students out of business school, so not a gross benefit from INTO, but a more modest net benefit in enrollment.)

- The recent changes to the minimum wage laws have negatively impacted staff and low level admins.

Notes from the discussion:

We are perceived as the same as nearest competitors, so price becomes the most important factor to the consumer/student.

Higher Education is beginning to be considered as a commodity product, and we need to show how our educational experience is superior to usual competitors.

Small Class sizes are heavily promoted but are not having the intended positive impact on retention

One way to distinguish ourselves as a better prospect is to promote successful programs, e.g. engineering.

One initiative: adding sessions in different science/math in second half of a semester.

S. Sobel idea: create more economically viable ‘parachute paths’ for students failing in STEM – would need to reinvigorate School of Education because that does lead to a viable well-paying careers.

Provost Berliner pointed out, parents will not pay expensive tuition for a major that is not perceived as a good career path.

Idea from S. Ghorayeb: create a Hofstra Abroad satellite campus; not well received because it requires so much support.

What are the INTO projections for bringing in international students? Could ramp up to 500 students, but did not state a timeline. Put in context: will lose 300-400 Chinese students out of business school, so not a gross benefit from INTO, but a more modest net benefit in enrollment.

Question E. Ploran: can we use the more available housing to differentiate ourselves from our competitors?

Chair Caniano would like to discuss retention ideas at the next meeting.