

PLANNING AND BUDGETING COMMITTEE
REPORT TO THE FACULTY
MAY 5, 1997

Membership: President Bond, the Administrative Cabinet (R. Alderson, P. Allen, G. Golson, A. Shingler, D. Walling, B. Young), Administrative Representatives (G. Latter, D. Little, D. Strawn), ASB President (J. Lynch), Staff Representative (J. Benthien), Faculty Representatives (J. Milliken/R. Grendell, K. Martin, Dean Nelson, H. Prince, G. Shea)

History: PBC was created by President Bond in the spring of 1995 to more deliberately link planning and budgeting and to do both in a broad, more participatory framework.

This Year (1996-97): The PBC met 10 times during the academic year in addition to an all-day workshop in mid-August. Meetings lasted between 1½ and 2 hours and attendance was generally excellent.

Fall Semester: Fall semester meetings focused on the college budget in general and, in particular, on how to implement and ultimately fund the President's Goals 2000.

Early in the fall, the Goals 2000, which were adopted last spring, were translated into programs and the programs into budgets. These then became the spending priorities for the discretionary dollars in the 1997-98 budget. They also had precedent in the allocation of excess revenues in the revised 1996-97 budget.

Every year, the College budgets on the assumption of level student enrollment. In October, enrollment figures are known and the budget is revised. This year's growth in FTE students allowed for approximately \$400,000 of additional spending. Secondary budget requests were gathered from Cabinet officers and the VP for Financial Affairs reviewed those and prepared a recommendation. This recommendation came to PBC for comment before its final approval. In broad categories, the funds allotted to these secondary requests were:

Academic Affairs	\$150,000
Spiritual Development	\$ 35,000
Student Development	\$ 55,000
Admissions	\$ 5,000
Business Office	\$ 35,000
Information Services	\$ 85,000
Institutional Advancement	\$ 40,000
	\$405,000

Once the revised 1996-97 budget was in place, attention was turned to the 1997-98 budget and, particularly, the needs of the Goals 2000. About \$231,000 were eventually set aside for Goals 2000 in the 1997-98 budget. These included:

Wesley Center	\$ 7,500
Reducing Class Size	\$ 20,000
Library and Media	\$ 25,000
Athletic Scholarships	\$ 40,000
Nazarene Ethnic Scholarship	\$ 52,000
Student Commons Programs	\$ 60,000
Others	<u>\$ 26,500</u>
	\$231,000

Normal increases in other expenditures were also anticipated in the 1997-98 budget as total expenditures grew by 7% over the 1996-97 budget.

1996-97 original budget	\$36,873,215
1996-97 revised forecast	\$37,462,149
1997-98 proposed budget	\$39,477,886

At its November 5 meeting, PBC reviewed the 1997-98 budget prepared by the VP for Financial Affairs. This budget was approved by the Board of Trustees later that month. Also at the November 5 meeting, PBC reviewed skeletal budgets for the next three years. **This was the first step toward establishing a three-year budgeting cycle and fulfilling a committee responsibility.** This is the first time the College has systematically projected its budget into future years and it represents an important milestone for PBC.

In addition to budgetary considerations, the Committee also (1) considered the progress on the master plan and the computer and telecommunication infrastructure improvements; (2) discussed external strategic indicators; and (3) met with the WASC team during their campus visit.

Spring Semester: Meetings during the spring semester focused on general planning. The Committee returned on several occasions to discuss the general mission and goals of the College. PBC has been able to identify several strategic issues, such as enrollment management under the cap; facilities needs (classrooms, dorms, parking); fund raising; interactions with constituencies; and "customer" service. However, it has been considerably more difficult for the Committee to reach a consensus on the College's core values and purposes that would allow these issues to be addressed. This is not to say that the Committee cannot reach consensus; it is to say that it has not yet found the time and means to do so.

The last two meetings of the spring semester focused explicitly on the College/University name issue. This discussion indicated that most members consider this to be only a name change and that other possible changes in structure and/or program would be considered on their own merit at the appropriate time.

Summary:

The PBC figured prominently in the recommendations of the WASC review and report. It was viewed as an “embryonic” form of a broadly participatory process that the Commission strongly endorsed. The Commission went on to say that the Committee represents a significant opportunity “for faculty involvement in the direction of the College and setting priorities for major College decisions, including budgetary decisions.”

The structure is in place. PBC is off to a good start. With minor refinements, it can make a significant and sustained contribution to the general improvement of the College. It is up to this community, administration, faculty, and staff to value planning enough to make it work.

Respectfully Submitted,

Ken Martin
Outgoing Chair of PBC