

School of Business Course Fee Committee Meeting Minutes 23 October 2020

Attending: Dean Paige Fields, Dean's Advisory Board: Larry Miller, Associate Deans: Susan Scholz and Chris Anderson, Faculty: Melissa Birch and Kelly Welch, Financial unit: Daniel Wilmot and Trina Ramirez-Stephens, Students: Dan Coviello (MBA), Jake Hill (UBC), Faith Henzlik (Minor), Will Cook (MAcc), McQuinn (BBA) Mengwei Li (Ph.D.). Minutes by Jordan Yochim.

Meeting began at 1:04p

1. Introductions were made around the "zoom room."
2. Brief background on purpose and implementation of course fees and purpose of the committee.

Course fees were introduced in 2004 in response to financial limitations. The school was small, constrained in growth and ability to provide student services. One of the main concerns was the lack of faculty sufficient to provide a diversity of courses and majors.

Dean Bill Fuerst formed a large representative committee which investigated, benchmarked, and ultimately proposed adding course fees. Student groups reviewed and voted on the introduction of course fees. The main principle is that course fees may be spent flexibly but should always be used for the benefit of students. Faculty continues to be the largest use of course fee funds.

The fee began at \$76. It was tied to the Higher Education Price Index and grew each year from inception until about 2014 when Dean Bendapudi and the committee decided to cease rate increases. The course fee per SCH has remained the same since then.

3. Review and discuss prior year revenues and expenditures. Discuss plans for future expenditures

Growth in fees is due to increasing enrollments. The main expense continues to be faculty.

Question (Hill) – Are faculty levels where they now need to be?

Answer (Fields) – We do need to continue to hire. We have hired 27 faculty in the past few years but have lost 29 to due to retirement and other departures. Course fees can be used for either tenure-track or non-tenure-track faculty.

Q (Birch) – Are we limited on the number of faculty we can hire by university or accreditation limits?

A –The limit is the overall amount of resources available. The university has committed to providing more university funding, but there may be modifications because of the pandemic.

Q (Coviello) – How much of the carryforward balance is already allocated?

A – The carryforward is relatively high this year due mainly to the lag between faculty leaving and new faculty starting. How it is spent will depend to a large degree on university funding. We prefer to use university funding for essentials and spend course fees for opportunities and activities that directly improve the student's experience. But we must be sure the essentials – like sufficient faculty -are covered first.

Q (Coviello) – Do you have thoughts on an ideal balance of course fees each year?

A – A low carryforward is ideal, just enough to buffer the ups and downs of budget changes. We hope our budget remains steady so we can draw down the existing balance carefully and purposefully.

Q (McQuinn) – Is there any indication we may lower the course fees?

A – That depends on how the university fares in the pandemic and how much the university invests in the school. Our fees are in-line with other business schools, but high relative to other units on campus - although other units are catching up. We would certainly consider lowering them if we could function well at a lower rate.

Q (Birch) – This situation reflects decreasing state support resulting in costs passed on to students. Is there concern that because we have not increased fees for a while, we may have to increase them a lot at some point?

A – A sudden large increase is not likely. Fees can only increase by the HEPI percentage in any one year. Our carry forward should allow us to resist a big increase. Furthermore, any increase must come from this collaborative process. An increase would not be imposed by the university.

Q (Welch) – Is the university's recent increase in our funding sustainable?

A – We hope so, although some of the apparent increase in our allocation is due to an accounting change for the on-line MBA program that resulted in both a higher annual allocation and higher expense.

Q (Welch) – What is included in the non-course fee accounts?

A – Funds either allocated by the university or earned by the school. Also spending from endowment accounts.

Q (Miller) – Over time the annual surplus will drop to a more normal level as we hire more faculty. What else might it be spent on?

A – We would like to increase student support such as scholarships, study abroad, and other uses suggested by our internal work groups and the Dean's Advisory Board task forces.

Q (McQuinn) – The BBA director was hired to lead the school's new professionalism program last year. Will a new BBA director be hired?

A – A permanent replacement planned for a year or so from now, circumstances permitting.

Q (Coviello) – Are there any targeted future expenditures to bring to our attention?

A – Most have already been mentioned: DEI initiatives, the professionalism program, study abroad, scholarships. Student support also comes in the form of wages, particularly graduate teaching assistants that provide support for students in the MAcc program.

Q (Birch) – What did course fees support for MBA students?

A – Extracurricular activities have been necessarily limited this year, but we will increase career services for MBA students when the covid hiring freeze lifts.

Q (Li) – What has been spent on PhD program?

A –Ph.D. students do not pay course fees, so we do not target that program for course fee support. Occasionally some support is provided for professional development, (travel, memberships, etc.).

4. Advisory vote on the Dean’s recommendation that there be no increase in course fees for AY 2021-22.

Result: All in favor of holding fees steady. No dissenting votes.

Scholz – This course fee committee continues through the end of the AY. It usually meets just this once each year, but another meeting may be called should something arise that requires review or input. The committee’s actions and members are posted on our website.

Thanks all around.

Adjourned at 2:15p.