

Faculty Council Meeting Minutes [Rev.1]

Wednesday, October 26, 2022

Locations: LSC: Granada Center - West Conference Rm 291 (in-person); WTC: Law Corboy, Rooms 1104 and 1017 (in-person); HSC: Center for Translational Research and Education, Rm 304 (in-person); and Zoom Link: <https://luc.zoom.us/j/81066396848>

Members in Attendance: Artemchik; Binaku; Blackmond Larnell (Vice-Chair); Brown; Cavallo; Cornelius; davis; Devery (Chair); Dahari; DeFrancesco; Dong; Duffy; Ellis; Elsky; Gawlinski; Goldstein; Kaefer; Kang; Lee (Secretary); Mirza; Moran; O'Rourke; Ohsowski; Pope; Rhodes; Rosentblatt; Silva; Todd; Callahan (Provost).

Guest: Wayne Magdziarz, Senior Vice President; Chief Financial Officer and Chief Business Officer at Loyola University Chicago

Absent: Cohen; Farooq; Friar; Haske; Holschen; Gupta-Mukherjee; jules; Patel; Peterson; Sanhueza; Singer.

Quorum: A quorum for the Faculty Council was established and the meeting was called to order at 3:02 pm.

Chair Devery asked if there were any objections to the Agenda and Minutes. There being none, the Agenda and Minutes were approved. The Chair then turned to the Officer Reports.

Chair Report: Chair Devery discussed his meeting with Dr. Rooney and Briana Allen (Chair – Staff Council). At that meeting, they discussed the state of staff morale, communication dealing with the “Work Modalities Memo,” and improvements that could help information being distributed to staff. Oversight of SAC was handed off to Academic Affairs. The Chair also met with Provost Callahan to discuss predictions about Mid-term Grades and student disengagement in the 100- and 200-level classes. Next, the Chair mentioned that our guest today, Wayne Magdziarz, will be hosting Finance town Hall meetings at each campus. The Faculty Council will hear the presentation after the business meeting is complete today. The Chair gave an update that the University is considering how many Dean’s searches it will undertake this year. Provost Callahan reported that after discussions with the Provost and President, Dr. Reed, there is an update on three (3) interim dean searches. A search committee is being formed for the School of Education. However, search committees for the School of Communication and the School of Social Work are being delayed for one (1) year. A reason for the delay is that these schools are in the midst of accreditation reviews with site visits in late 2023 or early 2024.

Vice-Chair Report: Vice-Chair Blackmond Larnell mentioned that at the next meeting there are proposals related to various matters on the chart of accounts. The Vice Chair discussed that faculty contracts must comply with local, state, and federal policies and suggested that contract compliance be discussed in the next newsletter.

Secretary Report: Secretary Lee reported that the new University Senate Chair, Tobyn Friar, had been added to the website as a new Liaison to the Faculty Council.

At Large Executive Committee Members

- No report at this time

Committee Reports:

Academic Affairs Committee (AAC)

The AAC Chair Gawlinski discussed a curricular question regarding the possibility of updating all grades on Locus and not just final grades. She reminded the Faculty Council that midterm grades were due later in the week and to use the links in the email from Betsi Burns and the forthcoming FC newsletter for supporting students.

The AAC Chair reported that the university is working on implementing new course catalog software and members of the committee attended parts of the kick-off to provide feedback. Last, she stated that information on proposing new core courses has been sent to deans and department chairs—there will now be regular yearly opportunities for departments to make any necessary updates.

Faculty Affairs Committee (FAC)

FAC Chair O'Rourke reported that the committee met three times. Their committee has asked Badia Ahad, Vice Provost for Faculty Affairs, to meet with the Faculty Affairs Committee.

With respect to the recently adopted diversity, equity, and inclusion resolution, the FAC Chair mentioned that if there are questions or concerns, they shouldn't just go to Provost Callahan, but should go to the respective Deans and to Badia Ahad.

The FAC Chair discussed that open enrollment begins on November 1st and is open for the month of November through the 15th. However, biometric screenings are due by November 2, 2022, and employees still need a blood test to get the discount.

Chair, Service and Communications Committee (SCC)

SCC member, Ohsowski, reported that the Newsletter Committee planned to send out the Newsletter, this Friday, October 30th. Their committee asked Faculty Council members to continue to provide submissions.

Provost Callahan mentioned that several people had left SAC and they wanted to hire people who knew the Loyola System. Although there were five SAC remaining, they are looking to hire more people in light of the increased needs of students. She mentioned that this is not just a Loyola issue but an issue across the country.

Ohsowski asked if Loyola was getting enough candidates to interview. Chair Devery said he would check on hiring SAC members and report back to the Faculty Council.

Financial Update Presentation:

Chair Devery turned to the financial presentation of Wayne Magdziarz. Magdziarz thanked the Faculty Council for the invitation to speak. He set forth an agenda for his presentation as follows:

AGENDA

Emerging from COVID
Current Fiscal Year '23 Challenges and Forecast
Planning for Fiscal Year '24 Budget
What We Will Need
Strengths

Magdziarz discussed the budget, which is approximately \$635 million dollars. This budget consists of:

- Undergraduate and graduate enrollment
- Tuition (levels and discount rates)
- Transfer Enrollments
- Residential Hall Occupancy Rate
- Mandatory Fees
- Also, included in the budget is a modest operating surplus to cover debt financing – 17 million.

In FY 2022, Loyola did well, with enrollment at +3.5%; with a strong and robust freshman class; as well as increases in graduate and professional enrollment was up 7.5%.

In FY 2023, there are some challenges. The freshman class continues to be strong, but there is a decline in continuing undergraduate students. After the pandemic, 360 students did not show back up to school and other students were not as engaged as in prior years. Last year, Loyola really had two freshman year classes. Those sophomore students who were not there for the first year and the freshmen. Also, there were significant decreases in graduate student enrollment. There is immense pressure on recruitment and retention of staff and faculty in light of the red-hot job market providing significant bonuses and compensation as well as attractiveness of work modalities across related industries.

Loyola stands for *cura personalis* for our students. During the pandemic, without a return to work, which was a terrible disservice.

The results of operations could go badly without a significant eye towards enrollment and budget. Look at Fordham, which has a similar enrollment and a similar endowment.

However, Fordham's net tuition is larger. Loyola's tuition compared to the whole budget is 68%, which is more high touch and more advising. Fordham's is at 58% of the whole budget.

FY 24, there continues to be strong freshman interest. However, there is a declining pool of transfer students; declining enrollments in graduate programs; overall few other growing revenue streams. Inflation is increasing costs. For planning purposes, some key components make a difference as follows:

- For every 50 students translates into 1.2 million;
- Every 25 students retained translates into \$2 million;
- Every .5% undergraduate transfers \$1.4 million;
- Every .5% increase in freshman continuing is \$.7 million;
- Every 50 graduate students are \$.6 million to \$1.6 million;
- Every .5% change in merit pool are \$1.7million.

As of this morning, full-time staff is 1,617 (down 38), while faculty was 1,069. Faculty/staff salaries benefits will increase. Salaries and benefits are only going up.

Magdziarz discussed the best strategies to reduce/maintain non-salary operating costs include the following ideas:

- Diligent management of university cost of debt and repayment. In FY 2012, debt was \$581 million. Debt is currently down to \$283 million. Going forward, the numbers are estimated at: 2023 ----- \$271 million; 2024 ----- \$254 million; 2025 ----- \$240 million. Loyola is in a good position to raise debt financing for projects.
- Fundraise to increase the percentage of student scholarship support that can come from endowment (currently about 95% unfunded).
- Reallocate operating dollars away from non-essential or underperforming programs towards those with greater enrollment growth potential. He mentioned that Loyola cannot continue to add programs without stopping doing something else or reallocating those dollars – deciding between two or more goods;
 - o Not saying to stop any particular metric, as they also look at mission;
 - o The last substantial program that was closed was the Dental School in 1991 (declining of students; UIC was ½ the tuition price; and it was a very difficult decision).
- Focus on enhancing graduate programs.
- Watch the sum of average debt of graduate students. For example, DePaul was on the lower end, whereas the University of Dayton was on the higher end.

To maintain our strong financial position

- Accept strong students;
- Allocate and reallocate faculty and staff dollars to remain competitive. Be mindful of position creep;
- Assess an array of graduate offerings and identify those that can be inoculated from economic pressures and grow and identify those that can no longer be supported;
- Continue to invest in brand, technology, and fundraising;
- Recognize and embrace the financial challenge before us recognizing one emerging from a position of financial strength.

Adjournment (5:00pm)

The meeting was adjourned at 5:00 pm

Minutes approved at Faculty Council Meeting January 25, 2023