

Committee on Priorities and Resources
Meeting Minutes – September 26, 2012

In attendance: Assistant Director Carol Allman-Morton, Prof. Rob Benedetto, Dean of the Faculty Gregory Call, *ex officio*, Rental Property Supervisor, Jonathan Devins, Christopher Friend '14, Treasurer Shannon Gurek, *ex officio*, Prof. Nasser Hussain, Prof. Jagu Jagannathan, chair, Director of Human Resources Maria-Judith Rodriguez, *ex officio*, Prof. Karen Sánchez-Eppler, George Tepe '14, and Sarah Barr, recorder.

Not in attendance: none.

The meeting was called to order at 4:03 pm.

Proceedings

1. Introductions – Committee members introduced themselves to new CPR member Jonathan Devins.
2. Minutes – The minutes from September 12, 2012 were approved.
3. Treasurer Shannon Gurek presented information about the budget.
 - a. FY 2011-2012 Endowment – At the end of FY 2012, the endowment was valued at \$1.640 billion, \$1 million less than last year. There was a 1.2% return on the investments. The college projected a 0% return last year for budgetary purposes. The spend rate was 4.65%.
 - b. FY 2011-2012 Operating Budget – There was a small surplus for FY 11-12 due to the warm winter, several open positions, and lower payments on the college's debt service due to the low interest rate environment. The surplus remained in the endowment because the college decided to reduce the distribution to keep the spend rate low over time.
 - c. FY 2012-2013 – The committee reviewed the summary statement of resources and expenses (budget and actual for FY 11-12 and the budget for FY 12-13). The operating budget has increased by 5.2% and the comprehensive fee increased 4%. The committee is interested in learning more about the Amherst LEADS program and the plans for the Multicultural Resource Center.
 - d. Response to CPR Budget Requests – In May 2011, the CPR submitted a written request for additional funding to the President and Senior Staff. Shannon Gurek presented information about the outcome of the request.
 - i. Classroom renovation in the library – Request funded. Construction will begin in January.
 - ii. Mead Art Museum security guard positions – Request funded.
 - iii. Arms Music Center classroom renovations – Request funded.
 - iv. Facilities positions – Request partially funded.
 - e. Debt – The college will issue \$100 million in taxable debt in a few weeks. When the college began the process, rating agencies reviewed the College's financial position to determine their assessment of the college's financial health. The result was a split rating. S&P downgraded the college's rating to AA+ with a stable outlook and Moody's maintained the AAA rating with a negative outlook. (Outlook pertains to each rating agency's estimation of how their rating may change in the future.) The college chose to issue taxable debt because it has fewer restrictions and it would allow the college the

flexibility to use the funds for projects that wouldn't be eligible for tax exempt funding (like 79 South Pleasant Street). The 30-year fixed rate loan will have a cost of less than 4% per year over the life of the issue.

4. Benefits at Amherst College – Maria Judith Rodriguez assembled information on the benefits packages for each class of employees. She will place the information on the shared drive.
5. Online initiatives – The committee briefly discussed the presentation from 2tor. Online opportunities present interesting possibilities for teaching and learning as well as raising significant concerns.
6. Fall calendar – Prof. Jagannathan has been in contact with the Managers' Council, Employee Council, Amherst Association of Students, and the Housing Committee.
7. Guiding Principles – The group would like to establish a series of guiding questions and/or principles that would help the committee make recommendations for benefits. The committee is interested in taking a communitarian approach, evaluating equity and fairness, and considering the intensity of impact on different cohorts of employees.

Next Meeting: Wednesday, October 10 at 4 pm.

The meeting adjourned at 5:19 pm.

Respectfully Submitted,

Sarah Barr