

Committee on Priorities and Resources  
**Annual report 2022-23**

The Committee on Priorities and Resources met weekly during the 2022-23 academic year. Through the year the committee received reports from different divisions and departments within the college, drafted the annual faculty salary report, and received and responded to a number of ad-hoc requests. The minutes of the meetings are available on the website of the Provost and Dean of the Faculty. Below are a few highlights from the year's discussions.

**Budget and Finance:**

Throughout the year, the committee engaged with multiple aspects of the budget—the overall budget climate, the FY 2024 budget approach (which included a discussion with President Elliot), and some specific budget decision such as discontinuing the go-to containers at Valentine Dining Hall. As Thomas Dwyer, Interim Chief Financial Officer, shared with the committee on multiple occasions, there have been both positive and negative variances in the budget and finance committee operating results in 2022. Positive variances included bank interest, new endowment gifts and lower than budget salaries. Negative ones included higher than budgeted non-salary expenses and Covid-related costs. However, compared to FY 2021, FY 2022 saw much more challenging developments. Inflation increased and persisted and was accompanied by a tight labor market, cost escalation, and negative investment returns. We understand that the projected FY 2024 and FY 2025 revenue growth may not keep pace with inflation, and existing commitments could outpace current financial resources. In a most difficult situation, reallocation of resources or identification of additional financial capacity may be required. The college is prioritizing important investments from the past decade, exercising caution, reallocating current resources, and remaining flexible as conditions changes. The committee also discussed the 15% non-compensation cuts designed to preserve budget capacity for salary and wage increases on July 1, 2023.

**Annual Faculty Salary Report:**

As usual, the committee undertook an Annual Faculty Salary Report. The college's current benchmark is for salaries to fall above the 75th percentile among twelve institutions constituting the Liberal Arts group. Put another way, the college is to strive to have the average salary fall in the top three schools. This year, the mean faculty salary is in the top three for full professors and assistant professors. The salary for associate professors falls in fourth but trails the third-place school by only about \$200. When viewed as a three-year rolling average, the college is meeting its benchmark with respect to salaries for assistant professors, is just at the acceptable level for full professors and is somewhat behind the benchmark for associate professors.

Salaries for female colleagues are lower than male colleagues at the rank of full professor. The magnitude of the gap had been declining for several years but widened somewhat this year. At the rank of associate professor, salaries for female colleagues are slightly higher

than for male colleagues. Salaries for female and male assistant professors appear to be the most consistently equivalent among the ranks.

The committee considered the possibility of adding a discussion of instructor and lecturer salaries to the report, which was also brought to the CPR's attention by other colleagues on campus. Unfortunately, the data that would allow us to do this in a meaningful way is not available. The AAUP does collect data about these salaries, but the definitions of the positions and the number of faculty in the positions vary so widely from school to school that comparisons would be largely uninformative.

### **Capital Projects:**

The college is heading into an intense phase of work on campus for the Climate Action Plan (CAP), which started in March on the east side of campus. Some 25% of the central campus will be on the new heating system within a year. The other major projects include the new student center and the dining commons on the former Merrill site. Fundraising is underway for both. The abatement and interior demolition work in Merrill and McGuire has started in December and has continued through spring. The Merrill base structure will remain and be built up using massed timber for the new building. Work will continue until the fall of 2026.

The Lyceum project is on schedule to open in time for fall 2023. The project budget was grown to accommodate the cost escalation in materials. Some of the other projects include summer accessibility work, the pedestrian improvement project on South Pleasant Street, as well as campus signage and wayfinding. Capital fundraising, as Tom Davies shared with the CPR, is challenging when compared to the pledges to professorships and financial aid. Although progress has been made, there is still work to be done on this front.

### **The Textbook Taskforce:**

The Textbook Taskforce led by Jack Cheney, Associate Provost and Associate Dean of the Faculty, and Ralph Johnson, Director of Procurement and Shared Services, notified the committee that the textbook provider options are being priced and analyzed, and a partial cost offset has been identified from financial aid. Ideas under consideration are a "brick and mortar" bookstore, a pop-up bookstore, or the use of mail delivery. Under the taskforce plan, students will receive textbooks on the first day of class at no cost. Textbooks will also be provided to Five-College students enrolled in Amherst College classes. At the end of the semester, students would be able to sell books back and keep the money. All of the program costs will be incorporated into the comprehensive fee. The Textbook Taskforce has also visited academic departments as well as the Association of Amherst Students (AAS). Mollie Hartenstein '23, one of the student members of the CPR, reported overwhelming support for the plan at the AAS meeting. If approved, the program will launch in the Fall of 2024.

**Benefits:**

As was noted in last year's annual report, two additional tiers were introduced to the college's health plan, a move welcomed by staff and faculty. Benefits have grown a little faster than salaries, although the medical premium changes at the college have been lower than other peer institutions. This year's enhancements of the plan design also include serving the New England region, which will allow healthcare benefits to faculty and staff living outside of Massachusetts. The grant-in-aid benefit has been increased to \$16,500.

The committee also discussed a proposal regarding the grant-in-aid benefit submitted by Professor John-Paul Baird to both the CPR and the Benefits Committee. This proposal – a revised version from last year's proposal – aims to address the problem resulting from the practice on the part of some institutions of higher education (of which Amherst College is one) of reducing (“displacing”) financial aid packages in line with the availability of external sources of funding such as grant-in-aid benefits. This displacement results in the grant-in-aid benefit transferring funds from Amherst College to other institutions without reducing the amount that employees are responsible to pay towards their children's higher education. The proposal suggests that the grant-in-aid benefit be disbursed to a college savings fund (“529”).

Chief Human Resources Officer Kate Harrington and Provost Catherine Epstein answered the committee members' questions about the tax implications of the suggested changes as the proposal raised concerns about tax liabilities. The members of the CPR observed that the proposal, if approved, would incur significant costs to the college. They were also not sure how much extra benefit the proposed changes would confer to a small percentage of employees who would actually be affected. The committee expressed reservations about the current proposal and thought it better to defer to the Benefits Committee, and particularly to Kate Harrington, to further discuss the proposal's financial implications.

**Compliance:**

The College's Compliance Program is relatively new, as is generally the case in a liberal arts setting. The program aims to build a structure that will help us meet our legal obligations and foster a campus-wide culture of compliance and ethical behavior. The Compliance Program is revising the staff handbook, has set up a whistleblower policy, and is doing internal compliance monitoring and periodic risk assessments. The three main areas of focus are safe and healthy work environment, fiscal responsibility, and data security and privacy. The head of Compliance, Amy Hunter, also brought the committee's attention to “Ethics Point,” a link on the College's website to submit complaint.

**Merchandising:**

The CPR invited Ralph Johnson to discuss the college's merchandising plans especially in the wake of A J Hastings closing down in downtown Amherst. Currently, an online store and a pop-

up mobile retail unit have been selling college merchandise. Plans are also underway to expand Schwemm's and Campus Print and Mail Center to help with merchandising. The college is in the second year of its 5-year agreement with Follette for supplying athletics gear.

### **Workday:**

Workday was again on the agenda of the CPR this year. We learned that the BIG (Business Improvement Group) project has currently completed its "Phase II" rollout of Workday Student. Director of Financial Systems and Projects Katie Edwards visited the CPR and sought the committee's help in supporting consistent practices. She emphasized the importance of workforce planning, training and development, and further enhancements of digital infrastructure and ongoing improvements. The committee also learned that the project cost includes an annual licensing payment, supplemental staffing, and consultants, including both implementation partners and post-production support. It is expected that there will be a request in the capital budget process for the next 3-5-year period of developing the system. However, a number of glitches in Workday Student were identified by the faculty and student members of the CPR. Amherst College is learning from the process of institutions that have started using Workday earlier, including peers such as Smith and Wellesley Colleges.

### **Ad-Hoc Issues:**

The committee addressed a number of ad-hoc requests from colleagues and committees across campus. On April 4, 2023, the members of the CPR discussed the proposal by the Film and Media Studies (FAMS) program to become a department, as forwarded to the committee by the Faculty Executive Committee. We found the FAMS proposal to be thorough and intellectually rigorous. The CPR acknowledged the contribution that FAMS makes to the curriculum of the college. However, it also expressed concern about the small size of the potential department. Additionally, the proposal did not provide evidence of demonstrable student interest in FAMS becoming a larger department, nor did it indicate whether such a shift would increase the number of majors. Most important, it was not clear to the committee that this proposal would be wise from a resource point of view. If approved, more resources (such as additional faculty, ADC hours, consolidated space for faculty offices, and a dedicated screening room) will be needed in the future. In light of the college-wide effort to constrain the budget in sustainable ways, the committee emphasized that the college should not commit to allocating additional resources to a department of this size and suggested that FAMS continue to serve the students in its current form.

The CPR also considered a faculty question about job postings for assistant coaches (casual) in Football, and how this reflects on the college mission and priorities. The highlighted positions are paid from annual giving (not endowed gifts) raised specifically for the team. Athletics does not independently fundraise, and, working with Advancement, there is a balance between gifts for Athletics and the college overall. It was further noted that fundraising for Athletics allows the college to spend on other priorities.

Submitted, May 19, 2023.

CPR members:

Nusrat S. Chowdhury (Chair)  
Frederick Griffiths  
Jonathan Obert  
John Rager  
Stacey Cooney  
Emily Ziomek  
Mollie Hartenstein '23  
Yvette Kiptoo '23

*Ex Officio* members:

Thomas Dwyer  
Mike Thomas  
Kate Harrington  
Ashley Mowatt Travis  
Catherine Epstein

*and* Steven Hegarty, Recorder