

Committee on Priorities and Resources
Meeting Minutes – March 10, 2020

In attendance: Professor Javier Corrales, chair; Professor Jill Miller; Professor Monica Ringer; Library Administrative Assistant/Bookkeeper Susan Bradley; Director of Financial Planning Thomas Dwyer, *ex officio*; Provost and Dean of the Faculty Catherine Epstein, *ex officio*; Assistant Director of Athletics Kelly Mannix; Chief Financial and Administrative Officer Kevin Weinman, *ex officio*; Brooke Harrington '22, *ex officio*; Steven Hegarty, recorder

Not in attendance: Professor Andrew Dole; Chief Human Resources Officer Maria-Judith Rodriguez, *ex officio*; James Hulsizer '23; Sydney Ireland '23

The meeting came to order at 8:30 am.

Proceedings

1. CPR asked Kevin a number of questions about the financial implications of the switch to remote learning, an off-campus student population, potential impacts to college staffing, and the recent downturns in the financial markets.
 - a. Staff will continue to provide the same services, just in different ways. Staffing levels will continue and, where needed, alternate assignments can be found.
 - b. An impact to summer programming is possible, but unknown at this time.
 - c. The college endowment and finances are managed to weather downturns in financial markets. While the college is less impacted by short-term market changes, trends in financial markets and economy have the potential to affect the endowment.

2. Kevin and Tom shared details of the FY21 Capital budget process.
 - a. A capital expenditure is defined as a one-time spend for a multiple year benefit, with a cost of \$10,000 or greater. Common examples are building renovations and the purchase of IT equipment, up to a replacement athletic field or a new building.
 - b. Capital request annual process:
 - i. Prior to 4 or 5 years ago, capital items were included in the annual operating budget. Under the current process, the budget office separately solicits and collects annual proposals from each Division/Senior Staff Member.
 - ii. A \$10M set aside in the operating budget covers the routine to mid-size projects. Larger projects are funded through philanthropy or college borrowing.
 - iii. The annual capital allocation ideally would be 2-3% of the operating budget, or \$20-30M.
 - iv. AC is seen as safe investment for debt issuance, and the college receives favorable interest rates and terms for borrowing.
 - c. Tom reviewed the FY21 list of capital proposals.
 - i. After a series of meetings and multiple versions of the list, the priorities reflect the decisions of senior staff.
 - ii. Some projects have been deferred, or the project will be paid from other funding sources — such as available reserves or restricted fund/gift options.

- iii. Due to limited funding, Senior Staff have deferred or taken a multi-year approach to projects with a lower priority.
 - iv. The Gooding and Hills Field project will create a dedicated field for Field Hockey, and a multi-purpose field for other varsity and club/intramural sports. This is an example of an expensive project that is funded through a mix of the annual capital allocation, philanthropy, and debt issuance.
- d. CPR was asked for any unlisted priorities, and Javier noted inconsistent air conditioning on a campus that is used heavily in the summer.
3. CPR approved the minutes from February 11 and 25.
4. Please note that CPR will continue to meet after Spring Break.

Adjourned 9:35 am.

Respectfully submitted,
S Hegarty