

Committee on Priorities and Resources
Meeting Minutes – October 26, 2021

In attendance: Professor Nusrat Chowdhury; Professor Andrew Dole, chair; Professor Jill Miller; Professor Monica Ringer; Interim Director of Human Resources Chris Casey, *ex officio*; Retail Dining Supervisor Peter Charron; Interim Chief Financial Officer Thomas Dwyer, *ex officio*; Provost and Dean of the Faculty Catherine Epstein, *ex officio*; Interim Director of Financial Planning, Ashley Travis, *ex officio*; Assistant Director of Family Giving, Emily Ziomek; Allie Ho '24; Steven Hegarty, recorder

Not in attendance: Jae Yun Ham '22, *ex officio*; Jaden Richards '25

Guest: Dean of Admission and Financial Aid Matt McGann

The meeting came to order at 8:00 am.

Proceedings

1. CPR considered two questions on college benefits:
 - a. The college offers two tiers of health insurance: for individuals and families. CPR recommends adding additional tiers for individual plus spouse/partner, and individual plus children. Chris will bring the recommendation to an upcoming benefits committee meeting, and in time for the next open enrollment. The benefits committee is comprised of Chris Casey, Lisa Rutherford, Tom Dwyer, Jack Cheney, and Jim Brassord.
 - b. CPR next considered a question on the dependent care flexible spending account (FSA) benefit from Alex George, Professor of Philosophy. The dependent care FSA is a program for using pretax dollars to reimburse expenses such as daycare. There are currently about 40 participants at the college.
 - i. The American Rescue Plan Act allowed employers to increase the annual maximum benefit from \$5k to \$10k. AC considered the adjustment in consultation with the college benefits broker, Strategic Benefit Advisors (SBA). However, the increase is not a smart move for the college, and the cost to move forward for limited usage did not make sense.
 - ii. The primary concern is non-discrimination testing. This is when the IRS compares highly and non-highly compensated employees receiving the benefit to check for fairness, and the outcome could result in highly compensated employees repaying the benefit. Other clients of SBA with a fiscal year benefit cycle also did not enhance their dependent care FSA benefit. The benefit may still be received through individual tax returns, depending on their filing situation.
 - iii. Andrew will draft and circulate a reply to Alex from CPR. In short, that the decision has been made, and the benefit may remain available through tax filing.

2. President Martin announced enhancements to Amherst's financial aid policies to fully meet financial need. Matt McGann joined CPR to discuss the change.
 - a. Estimates of costs and budget impact: In FY22, financial aid represented \$67M in revenue not collected. The average award was \$63k of the \$76k comprehensive fee. Under the new plan, financial aid will increase from \$67M to \$71M, prior to any comprehensive fee adjustment.
 - b. For individual families, 80% of US households (those below \$141K) will typically receive scholarship for at least the \$60,700 tuition amount. Families with less than the median US income of \$67,521 will typically receive scholarship awards in excess of the comprehensive fee, \$76,800.
 - c. AC will use a new financial aid table. The new table uses new and better economic data. As a result, most students on financial aid will see increased grant.
 - d. There will be a reduction in work expectation, both in the summer and during the academic year. AC will expand startup grants from \$400 for the highest need incoming students to \$1,000 for the highest need students in each year.
 - e. AC provides substantial financial aid and has the strongest policy of any liberal arts college in US. The college equitably supports students on campus for greater success.

CPR Questions:

- f. Andrew asked if it is quantified that messaging will impact admissions pool. Harvard University announced similar enhancements 15 years ago, and a [study was done](#). Outreach made the greatest difference in making Harvard more socio-economically diverse. More high achieving, low income students applied, were admitted, and enrolled.
- g. Emily asked if there was a goal of expanding the application pool. While there is no prediction for the current year, the hope is that the financial aid enhancements will add 1,000 to 2,000 applications.
- h. Allie asked if the HEERF funds, federal government grants during the pandemic, remain available. AC has spent half of the final round of HEERF funds. The remainder will be used to support the emergency fund into next year. College funds will take over then.
- i. Andrew asked if the changes to financial aid and legacy admissions policies solve problems for the college. Looking at the college mission, these steps will enhance our leadership position and the hope is to attract more great students

Adjourned 9:00 am.

Respectfully submitted,
S Hegarty