

**Provost's Advisory Council
February 14, 2019 Meeting
8:30-10am, Lynch Center, Fulton 515**

In attendance:

Laura O'Dwyer (Chair)	Gregory Kalscheur, S.J.	Claudia Pouravelis
Anthony Annunziato	William Keane	David Quigley
Joseph Carroll	Jonathan Laurence	John Rakestraw
Mary Ellen Carter	Karen Lyons	Patricia Riggan
Thomas Chiles	John Mahoney	Ronnie Sadka
Chris Conostas	Alison Marshall	Akua Sarr
Thomas Crea	Theresa O'Keefe	Billy Soo
Melissa Dilillo	Omolayo Ojurongbe	Thomas Stegman
Can Erbil	Mariela Paez	Sasha Tomic
David Goodman		

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- 1. The summary of the November 29, 2018 meeting was approved.** It will be sent to the President's Office. All summaries are posted on the Provost's Office website; members are encouraged to share them with colleagues.
 - 2. Annual budget and finance update: Michael Lochhead, Executive Vice President, and John Burke, Financial Vice President and Treasurer**

Laura O'Dwyer introduced Michael Lochhead and John Burke to talk about the FY20 budget and financial overview.

John Burke began with an overview of BC, the University's finances, the Endowment, and Long Range Financial Planning.

There are currently 9,400 undergraduate and 4,730 graduate students enrolled. This year's applicants numbered 31,100, with an anticipated Fall 2019 first-year undergraduate enrollment of 2,300. There are 3,500 employees, which includes 860 Full-time faculty. BC is ranked 38th among National Universities by *US News & World Report*. The Endowment is currently \$2.6 billion. Plant assets total approximately \$1.6 billion.

John talked through the balance sheet, showing that the most significant asset BC has is the Endowment, which is composed of both unrestricted and restricted funds. Unrestricted funds (\$959.5M) can be used for any purpose, while restricted funds (\$1.6B) have specific terms for their use. The second largest asset are plant assets, totaling \$1.6B. Liabilities total \$1.39B, with bonds representing the largest liability. He noted that detailed financial statements can be found on the Controllers' website.

The FY20 draft budget will go before the Board of Trustees for approval in early March. BC is highly dependent on Tuition with over 60% of the operating budget coming from Tuition and Fees. Auxiliary income, which includes Residential Life, Dining Services, Athletics, and smaller services like daycare, parking event management, and the bookstore, accounts for 19%

of the budget. The Endowment payout accounts for 10% of the annual budget with sponsored activities and gift accounts contributing 5% and 4%, respectively. With only 10% of the operating budget supported by the Endowment, BC is less affected by financial turmoil in the markets.

On the expense side, the largest expenses include Salaries and Fringe Benefits (47%). BC makes a large investment in its employees, and has been able to keep benefits costs flat the past few years. Tuition remission accounts for 19% of expenses, with undergraduate aid being 78% of that, as BC remains need-blind and pledges to meet full demonstrated need. Additional expenses include General Operating (17%), Use Allowance (11%), Sponsored Activities (4%), and Utilities (2%). He noted that the Use Allowance fluctuates with major capital projects; more construction leads to higher use allowance.

John then provided an overview of the Endowment. In 1972, the Endowment was \$5 million. Thanks to successful campaigns and investment returns, it currently sits at \$2.6B. BC's investment portfolio performs well, and is in the top quartile among endowments in the Cambridge Associates peer group.

Compared to the other 18 need-blind and full need universities, BC has the second lowest endowment, as well as the third lowest endowment per FTE. For comparison, Princeton University has the highest endowment per FTE, at \$2.5M, while BC's is \$180,000 per FTE. Being on the lower end of the scale, BC is not subject to the new endowment tax that charges a 1.4% tax on endowment returns for any school with an endowment per FTE exceeding \$500,000.

John then talked about the long-range financial planning framework and key drivers. Planning is done with a view of maintaining and improving the academic profile of the University through investments in academics, student formation, and infrastructure investments. The commitment to meeting demonstrated full financial need of undergraduate students remains a priority. The goal is to build a competitive and stable base, and pass along a healthy financial outlook to future generations.

The key drivers for BC's long range planning include Tuition Growth Rate, Endowment Return, New Debt/Capital, Fundraising, and Operational Efficiencies/Cost Management. On tuition growth, BC strives to stay consistent with peer schools and has a long range target of 3.5% on tuition growth. He talked about the importance of unrestricted gifts during the next campaign as those are 100% budget relieving, and could be used towards financial aid. As the University continues to invest in the initiatives laid out in the most recent Strategic Plan, the goal is to advance priorities while aligning investments and resources.

David Quigley highlighted the importance of resources that would help tuition remission, reiterating that \$200 million of the budget is spent on tuition remission, nearly \$90 million more than the entire Endowment payout of \$107 million.

A council member asked if the recent government shutdown had any impact on budget projections.

John responded that they have not seen much impact. Michael Lochhead added that sponsored research is not a major driver at BC, so the impact has been minimal.

Michael provided updates on recently completed, existing, and upcoming Major Capital Projects.

Recently completed projects include:

- The Harrington Athletics Village on the Brighton Campus: The complex includes a 1000-seat baseball stadium with artificial turf, a 300-seat softball field with a clay infield, and a grass recreation field with lights.
- Phase II of The ACC Network: Phase II included continued improvements to facilities and network broadcast capabilities, as well as the addition of four staff members to produce content for the ACC. Costs for these improvements will be recouped by incremental revenue from the ACC Network.
- The Fish Field House and Football Strength & Conditioning Center: The field house includes an indoor field, primarily for use by the football team, and with limited use by other teams. The Strength & Conditioning Center replaces the space in Yawkey, which will now be converted to additional space for the Student Athlete Academic Services office.
- Walsh Lounges/Rubenstein Renovations: The two main lounges in the Walsh residence hall were renovated, and kitchens and bathrooms were upgraded. The brick façade of Rubenstein hall was pulling away from the building, so that was rebuilt.
- 300 Hammond Pond Parkway: The 60,000 square-foot structure was purchased two years ago and has been turned into space that can be used by students for rehearsals and performances, as well as additional meeting space. Trade operations has been moved over there as well, which opens up space for an additional 26 beds in Ignacio hall.

Projects under construction include:

- The Margot Connell Recreation Center: The new recreation center will be completed in June and occupied in July. The 244,000 square-foot building will include 4 basketball courts, 2 multi-use courts, 3 tennis courts, 2 pools, an indoor track, and a climbing wall, in addition to offices.
- Ignacio Renovations: Renovations mirroring those done in the brick façade of Rubenstein hall are now in progress.
- Cushing Offload: In preparation for the demolition of Cushing Hall, renovations are underway in Carney Hall to replace classrooms and CSON operations space that are currently housed in Cushing. The renovations will be completed this spring.
- Heating Plant Upgrade and Expansion: A 9,000 square-foot addition is underway which will provide space for 2 new boilers. These additional boilers will allow the existing machines to be replaced and ultimately provide increased capacity in the future. This project is due to be completed by December of 2019.
- Pine Tree Preserve: Planning is underway to turn the space into more functional passive recreational space, including clearing out dead trees and brush, and adding pedestrian pathways and benches.

Projects in planning or design include:

- The Schiller Institute for Integrated Science & Society: The project is currently in the construction documents stage. This is the final stage of design before the project goes out to bid. The building will have space for 22 Principal Investigators and their staff, classrooms, collaboration and maker space, and a café. Once Cushing Hall is demolished, work can begin on the foundation. The anticipated opening for the Schiller Institute is December of 2021.
- Student Formation Space Phase II: Phase II will look at what existing spaces can be enhanced for active student collaboration. There will be some additional enhancements at 300 Hammond Pond Parkway to expand the stage and improve the AV capabilities. Additional collaboration space will be opened up in the old data center on the 5th floor of the O'Neill library. Space on the Newton Campus is being explored as well.
- The Flynn Recreation Center: The current recreation center will be demolished once the new Connell Recreation Center opens. The long-term plans for the space have not been solidified, but in the interim, outdoor recreation space and additional parking are options.
- Harrington Athletics Village Phase II: This project will most likely start this spring and will provide indoor hitting cages, locker rooms, team meeting spaces, and a small hospitality area.

Michael concluded the conversation by discussing some future considerations which include a University Center, additional undergraduate housing, academic support space, library storage, student formation and study space, and improvements to campus infrastructure.

A council member asked if adding graduate student housing had been considered.

Michael responded that it had been explored a number of years ago, but was not very successful.

A council member asked about contaminants and disruptions on campus as Cushing is being taken down.

Michael explained that there is a significant amount of abatement that is done during the process, so contaminants should not be a concern. During the early months of the projects there may be ledge blasting, noise, and vibrations, but they will attempt to do the noisiest work outside of class hours. The pedestrian flow in the area will change, but the goal is for as minimal disruption as possible given the scope of the project.

3. Discussion of University initiatives advancing diversity and inclusion: David Quigley, Provost, and Billy Soo, Vice Provost for Faculties

David began a conversation about University initiatives surrounding diversity and inclusion. In the aftermath of the events on campus in December, Joy Moore has been front and center, thinking about how to move forward. Joy has scheduled several community conversations for the spring semester. She has already held one for 40-50 students with EVP Michael Lochhead and Dean Tom Mogan; others are scheduled for February, March, and April. The February meeting will feature Akua Sarr, Vice Provost for Undergraduate Academic Affairs, Billy Soo, Vice Provost for Faculties, and English Department Chair Amy Boesky, and will focus on faculty hiring, retention, and development efforts.

There are also ongoing conversations on how to build on existing structures and partnerships around the University and to find new opportunities to advance diversity and inclusion initiatives. The first-year experience and orientation provide some areas with the potential for meaningful partnerships with academics, particularly relating to the first-year book and convocation speaker. There are opportunities in the curriculum, with a rich array of courses that directly engage with pressing questions of diversity, equality, and inclusion. Existing core courses have begun to explore a more diverse range of topics and areas of study, but the challenge remains how to have more meaningful and sustained conversations among faculty and across departments about what that looks like.

David continued, talking briefly about faculty hiring. With the current hiring season beginning to wind down, and planning for the 2019-2020 hiring cycle underway, there are conversations on how to broaden diversity, and develop tool kits and resources for successfully increasing the diversity of the faculty at all ranks.

Billy Soo discussed some initiatives and upcoming events aimed at faculty members.

- Facultydiversity.org offers a program to support faculty of color, providing access to mentoring and tools to be successful in their academic career. BC is participating with a couple of faculty as a pilot now, but if there is sufficient interest, it could be expanded.
- The Women of Color in the Academy Conference which is being held at Northeastern on March 22, 2019. BC is a co-sponsor of the event and is supporting faculty members who would like to participate.
- The AHANA faculty social, co-hosted by the Office of the Provost and the Office for Institutional Diversity, will be held on March 19, 2019.
- The Center for Teaching Excellence holds a number of programs on teaching for inclusion and social justice, creating inclusive classrooms, etc.

A council member mentioned that a group of graduate students from across schools, studying culture and race, are working with the Graduate Student Association and Joy Moore to run small workshops or conferences to teach other students about culture and race.

A council member asked if there would be another large town hall meeting similar to the one in December.

David responded that the current plan was to have smaller, focused, topical conversations.

A council member suggested that students and student groups feel as if the University response to the December event was inadequate and wondered if there is a better way to communicate and be open about the conversations that are happening around a more diverse and inclusive campus. Another council member suggested that there be a more intentional approach when talking about diversity, inclusion, and the ways that BC is striving to better the community, especially for black students.

David responded that a number of offices across campus have been thinking about how best to communicate this term and have been working on an update on initiatives within academic affairs and the schools.