

**Newark Faculty Council**  
**Meeting of Monday, March 1, 2010 – 11:30 am**  
**Chancellor's Conference Room**  
**Minutes**

**I. Chancellor's Report:** Dr. Diner reported on the following matters:

- **New appointments:** Dr. Diner introduced Mary Tamasco, the new Assistant Chancellor for Budget. The new Criminal Justice dean, Todd Clear, starts today.
- **Budget:** The Governor's announcement of cuts include \$17 million to the current Rutgers operating budget, an approximately \$2.5 million cut to the Newark campus, \$1.4 million of which was assigned to Newark instructional units (6 schools). On a positive note, tuition revenues for the campus have increased. The campus receives 55 percent of tuition generated. For the fall semester, 80 percent of the increase has already been given to the respective schools. The remaining 20 percent and the increases for the spring semester have not yet been transferred. This income could potentially cover the budget cuts through 2/3 of the year.

**II. President McCormick and Vice Presidents Furmanski and Winterbauer:**  
President McCormick introduced Philip Furmanski and Nancy Winterbauer and The NFC members introduced themselves.

Dr. Furmanski addressed the questions sent by the NFC following the president's visit last month. He began by describing All Funds Budgeting (AFB) as a budget and planning process for utilizing resources to accomplish accepted academic goals for the institution. He explained briefly how AFB developed, stating that transparency was the primary objective. He understood the Newark Campus' concern about that all three campuses be treated with the same set of principles. Among the points the Vice Presidents made were:

- Building projects throughout the university are 'episodic' and are equalized over time. For instance, the business school building at 1 Washington Park, a larger-than-average project, took precedence while it was being completed.
- TAs/Gas – The allocation of salaries is proportional to the campus size. New Brunswick utilizes more TAs since they are required for teaching. New Brunswick is also using more PTLs for larger classes.
- Facilities – the 45 percent from tuition held by central administration is for support of infrastructure such as payroll, purchasing, lawyers, etc. The State has not given the university funds for infrastructure since 1988. These funds must be obtained from bonds and other fundraising sources.
- Classroom space – this is a campus issue, best discussed at the local level.
- There has to be a revenue stream available to support new debt.
- Indirect costs (F&A) from grants support infrastructure and all elements necessary to carry out research such as library, purchasing, accounting, legal, and facilities. Negotiation with government agencies is limited.

The vice presidents proceeded with a PowerPoint presentation to answer the NFC's five follow-up questions, some of which were already addressed in their introductory remarks.

1. a. Classroom overcrowding/space allocation/square footage: This is a campus issue and is best discussed on a local level. The distribution of teaching labs is related to the programs offered and is proportionate to the percent of research grants. Grant funding tends to favor business and the sciences, but other sources of funding could be tapped, such as philanthropy and summer school programs. Dr. Diner noted that the Newark Campus will need to discuss how to handle the double major requirement of the new undergraduate curriculum, to determine which major will constitute the student's school of entry and how to split the tuition revenue between schools.  
b. All campuses are growing and developing new areas of strength. Distributions sometimes favor one campus over another based on opportunities.
2. The campus receives 48 percent of indirect funds.
3. The 45 percent of tuition revenue held by Central Administration goes to campus support functions and costs not directly allocated to instructional units.
4. Summer/Winter Session – the university retains 27 percent of revenues, which is reasonably low in order to generate more revenue, but enough to prevent programs from becoming dependent on it. The allocation of net profits is a campus decision.
5. Diversity Initiative – Rutgers-Newark has been the most aggressive campus in diversity hiring.

President McCormick pointed out the importance of 'expanding the pie' rather than concentrating on percentages. Since state support is only 26-27 percent of the approximately \$1.9 billion university budget, future programs will be more dependent on additional stimulus money, philanthropy (which is increasing somewhat), grant funding and other creative means of support.

Rachel Jones thanked President McCormick and Vice Presidents Furmanski and Winterbauer for their very thorough responses.

The meeting was adjourned at 1:30 pm. The next NFC meeting is scheduled for Monday, April 5, 2010, 11:30 am, in the Chancellor's Large Conference Room, CLJ 590.