

To: Skidmore Community

From: Jim Kennelly
Chair, FPPC

Re: Annual Report, 2002~~2003~~

Date: June 17, 2003

This report summarizes some of the more noteworthy activities of the FPPC during the past academic (and fiscal) year. The committee met a total of 29 times (including two meetings with President's Staff and 2 meetings with our actuaries from PricewaterhouseCoopers). The activities of FPPC are not confidential, and detailed minutes of all meetings are available for review by interested members of the Skidmore community in the Dean of the Faculty's office, where they are retained.

1. Current Status of FPPC

Even by the standards of FPPC, this has been an extraordinarily challenging year. Our present financial challenges have provided the context within which persistent questions as to the role, capabilities, usefulness, and indeed general viability of FPPC have been made all the more conspicuous. Rather than continuing "business as usual", the elected faculty members of FPPC (in April) requested CFG, as a matter of some urgency, review the role and structure of the FPPC. We look forward to CFG's response.

2. The 2002~~2003~~ (Last Year) Operating Budget

Various measures were undertaken to cover an estimated shortfall (combination of lower and higher expenses) of \$3.1 million in Skidmore's \$84 million approved operating budget. Most community members are already aware of the significant reductions in capital expenditures, the effects of a hiring freeze and reduction in overtime, various reductions in services, supplies, minor equipment, essential travel and campus entertainment, and other budget-tightening measures. At this date, it appears that the measures taken will be sufficient to "balance" the budget; we will not be certain

College in various financial and operational categories can be compared to other comparable institutions. Identification of suitable financial ratios could be a useful addition to our understanding of the financial and operational performance of this institution.

* FPPC understands that program reviews will be conducted over the summer, with the goal of reducing or eliminating the projected operating budget deficits for FY ~~2005~~ 2008. FPPC has requested that IPC indicate the process by which these reviews will be ~~carried~~ carried out, and the manner by which deficit reduction "targets" will be determined (and allocated across functions).

10. Thank You

I would like to thank the members of FPPC for their efforts this past year. Of course, not all the contributors to FPPC are voting members of the committee. I would also like to acknowledge the contributions of Mike Hall, Director of Financial Planning and Budgeting, and Margaret Adang, secretary to the FPPC (and taker of the minutes) during a very trying year.

11. Committee Membership

Although the FPPC is defined, and structured, as a faculty committee, it also includes representation from support staff, and administrative/professional staff. I am more pleased than you can know to announce that Mehmet Odekon has agreed to chair FPPC for 200~~3~~2004.

2002-03 Membership

Jim Kennelly Faculty (Chair) jkennell
Dan Hurwitz Faculty dhurwitz
Mehmet Odekon Faculty modekon
Denise Smith Faculty dsmith
Patrick McEvoy'03 Student p_mcevoy
Justin Matijcio'05 Student j_matijc
Cheryl Towers Support Staff ctowers
Bob Shorb Admin/Prof Staff rshorb
Chuck Joseph VPAA cjoseph
Karl Broekhuizen VP Business Affairs karlb

2003-04 Membership

Mehmet Odekon Faculty (Chair) modekon
Jim Kennelly Faculty jkennell
Denise Smith Faculty dsmith
Mark Youndt Faculty myoundt
Justin Matijcio'05 Student j_matijc
To be determined Student
Cheryl Towers Support Staff ctowers
To be determined Admin/Prof Staff
Chuck Joseph VPAA cjoseph
Karl Broekhuizen VP Business Affairs karlb