

32 William and Mary Self-Study

—is responsible for the effective operation of the plant, the auxiliary enterprises, the general purchasing and supply system, and the buildings and grounds of the College;

—takes appropriate action to assure that the property and all materials in the College under his/her cognizance are properly safeguarded and in good condition and that appropriate maintenance, safety, and security procedures are established and sustained;

—is responsible for the payrolls, handling of financial contracts, and preparation of annual fiscal reports; and

—assures that private funds under the custody of the Board of Visitors are properly invested with the approval of the Board.

At the time of the previous Self-Study, the Vice President for Business Affairs was aided by four assistants who reported directly to the Vice President. These were the Assistant Vice President for Business Affairs, the Treasurer-Auditor, the Purchasing Agent, and the Internal Auditor. With the growing complexity of College operations and the expanded responsibilities of the Vice President for Business Affairs, this structure has been modified and expanded to the current structure of an independent Internal Auditor reporting directly to the Board of Visitors, a Director of Planning and Budget responsible to the Provost, and seven officers who are responsible to and report directly to the Vice President. These officers and the chain of responsibility are indicated in Figure 1.

**1. Duties of Officers Responsible to the Vice President for Business Affairs**

**a. Assistant Vice President for Business Affairs**

The primary focus of this position is to provide staff support to the Vice President. The incumbent has special responsibilities for the coordination and administration of the College Post Office, the central copying program, and for campus telephone service.

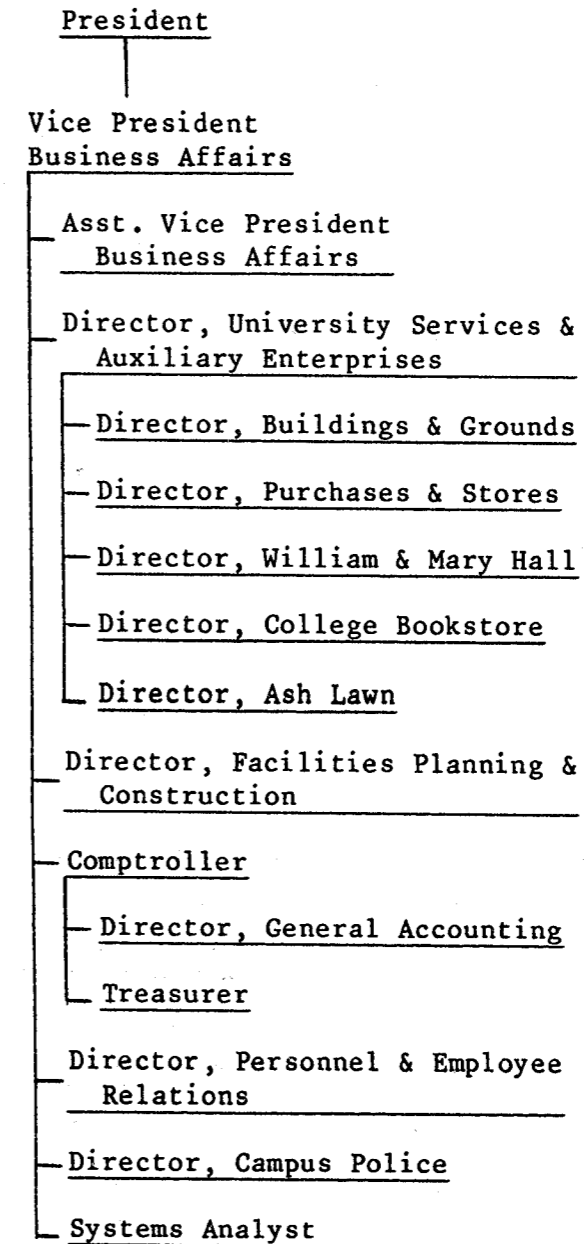
**b. Director of University Services and Auxiliary Enterprises**

The incumbent has responsibility for the financial and operational management of all College auxiliary enterprises and other university-wide services. These include: Department of Buildings and Grounds, Department of Purchasing and Stores, William and Mary Hall, University Book Store, Ash Lawn (home of James Monroe), University Food Service, Student Health Service Facilities, Campus Center Services, Student Transportation Services, Student Housing Facilities (4000 spaces), Faculty Housing Facilities (31 units), and the Campus Parking Program. Additional duties of the Director consist of providing policy recommendation and performing specific tasks for the Vice President for Business Affairs, administering the College's risk management program, providing financial advice and consultation to administrative officials at the College, and regulating the use of College Facilities.

**c. Director of Facilities Planning and Construction**

Under the general administrative direction of the Vice President for Business Affairs, the incumbent is responsible for administering the Capital

FIGURE 1



## 34 William and Mary Self-Study

Outlay Program and Facilities Management Program for the College and for the Virginia Institute of Marine Science.

**d. Comptroller**

The Comptroller has special responsibilities, under direction of the Vice President for Business Affairs, for: designing, developing, implementing, and maintaining effective systems of internal control; providing the College administration and the Board of Visitors a regularly scheduled flow of financial information; providing year-end statements as required by the State Auditor of Public Accounts; determining policies which affect the financial conduct of the College; providing assurance to the Board of Visitors that restrictions placed on gifts have been met; and managing the Offices of General Accounting, Payroll, Grants and Contracts, Financial Management, and Private Funds Accounting.

**e. Director of Personnel and Employee Relations**

The incumbent is responsible for planning, organizing, conducting, maintaining, and developing the Employee Relations and Personnel Management Program for the College and the Virginia Institute of Marine Science. The primary areas of responsibility include recruitment, classification, compensation, employee programs, training and development, employee records, and data systems for personnel programs.

**f. Director of Campus Police**

The Director plans and directs the law enforcement program of the College for the protection of persons and property and the enforcement of civil and institutional laws and regulations.

**g. Systems Analyst**

The incumbent provides administrative, financial, and technical assistance to the Vice President of Business Affairs and his/her staff concerning the design, implementation, and development of computer systems and special one-time or recurring programs.

**2. Accounting, Reporting, and Auditing**

Periodic budget reports for the President and Board of Visitors are prepared by the Director of Planning and Budget. The Comptroller, operating under the direction of the Vice President for Business Affairs, prepares special reports and analyses for the College as well as ensures a regularly scheduled flow of financial information to the President and Board of Visitors.

The office of the Internal Auditor operates independently of the budgetary and business operations of the College and reports directly to the Board of Visitors. (In April 1984 the Bylaws were amended so that the Internal Auditor reports only to the four-member Committee on Audit.) This separation of authority and direct responsibility to the Board of Visitors ensures effective oversight of the College's financial operations.

Effective oversight is assured further through audits made by the State Auditor of Public Accounts Office. Because the College has never received any severe criticism of its financial operations, the State Auditor carries out a biannual or "skip-year" audit of the College. These audits use *Audits of Colleges*

and *Universities* as a guide and follow generally accepted principles of institutional accounting as they appear in the current edition of *College and University Business Administration*. The latest audited financial statements are available to the public from the Office of the State Auditor of Public Accounts.

Funds for financial aid and other special programs are managed by the Treasurer under the direction of the College Comptroller and are audited on a fiscal year basis by the Internal Auditor and the State Auditor of Public Accounts.

**B. BUDGET PLANNING**

The budget planning process at the College of William and Mary has undergone extensive modification since the Self-Study Report of 1974. These modifications involve elements both of an internal and an external nature. Within the College, the Provost, under the direction of the President, administers and coordinates all budgetary affairs. In making recommendations on budget matters to the President for action by the Board of Visitors, the Provost is assisted by a Director of Planning and Budget and advised by a Budget Advisory Committee, the membership of which includes the Vice Presidents for Business Affairs and for University Advancement, the academic Deans, the Dean of Student Affairs, the chairs of the Planning and Priorities Committee, the Board of Faculty Compensation, and the Faculty Liaison Committee, the Director of Planning and Budget (secretary), and the Provost (chair).

The chairs of departments prepare the basic budgets using guidelines and instructions developed by the Director of Planning and Budget under the direction of the Provost. At present, the budget request forms used by each budget manager are in five parts: (1) a sheet which reconfirms the basic maintenance and operation budget; (2) an addenda request sheet, on which all requests for additions to base M&O budgets are made; (3) a request form for funding of specified items from Academic Support Fee funds; (4) request forms for hourly wages; and (5) a request form for undergraduate student wages. The budgets corresponding to grants/shared revenues, personal services, and fringe benefits are prepared in the office of the Director of Planning and Budget. Requests for additional instructional, classified, or administrative positions are handled separately from the general budget call.

The dean or the head of the division reviews the budget requests of the chairs of departments, directors, or supervisors. The dean or the head of the division then prepares a summary of the budget requests and submits it either directly to the Provost or, if appropriate, to the Vice President for Business Affairs or to the Vice President for University Advancement. Although the Vice Presidents report directly to the President, they are responsible for working directly with the Provost on all budgetary matters relevant to their jurisdictions.

The Provost, in preparing a summary of the entire budget of the College with the assistance of the Director of Planning and Budget and the advice of the Budget Advisory Committee, makes whatever adjustment he deems advisable and then submits the recommended budget to the President for his approval. The President, in turn, reviews the budget, consulting with whomever he chooses, and then submits his budget recommendations to the Board of Visitors for its approval.

In conducting the final local review of the budget, the Board of Visitors is concerned mainly with matters of broad policy rather than with the details of operations, leaving the latter to the administrative officers of the College. The Board, of course, does have the right to examine the details, and sometimes it exercises its prerogative.

This process must result in an internal budget consistent with the state's "target" appropriations, which eventually produce the College's total state funding. During recent years, several state-mandated reversions of some percentage of state appropriations have required particularly that the President and the Provost seek the advice of subordinate administrative and academic personnel before making the required recall of funds previously allocated. Funds available for maintenance and operation of both academic and non-academic units of the College during these recent years of mandated reversions have become severely strained. In general, decisions on disbursements of available funds and, even more importantly, on budget cuts suddenly imposed by the state executive branch must be made in ways that, respectively, do the most good or the least harm to the academic mission of the institution.

Budget control within the College is maintained through the Office of Planning and Budget. No department may exceed its budget without formal approval of this Office, upon recommendation of the appropriate dean or vice president. The Director of Planning and Budget is responsible for insuring that current expenditures are closely matched to the appropriate categories of the budget. His office prepares periodic financial reports of all units of the College for the President and the Board of Visitors.

### C. SOURCES AND STABILITY OF INCOME

#### 1. Current Fund Revenues

Current fund revenues for the 1978-83 period (Table 1, Figures 2 and 3) increased from \$34.3 million to \$53.0 million (54% increase). While the annual rate of increase fluctuated from a low of 9.1% to a high of 14.2%, an examination of the underlying dollar amounts indicated a rather stable growth pattern (i.e., the range was \$3.9 million to \$5.4 million).

Three principal shifts were noted in terms of revenue sources. First, as indicated below, there appears to be an increasing dependence on state appropriations as a source of revenue when compared with tuition and fees. However, for the 1982-83 period the relationship shifts back to approximately that which existed at the beginning of the period (Table 2).

The second major change noted is the substantial increase in Auxiliary Enterprises as a revenue source, both in dollars and in percentage. At the beginning of the period, income from Auxiliary Enterprises was \$10.2 million or 29.7% of the total revenue. By the end of the period, the amount had increased by \$6.8 million to \$17 million or 32.1% of the revenue sources.

Most of the third shift observed can be explained in terms of the second. At the beginning of the period, the summation of state appropriations and tuition and fees accounted for 61.8% of the total revenue sources. At the end of the period, the same items accounted for only 58% of the total revenue sources.

TABLE 1  
CURRENT FUNDS REVENUE 1978-83  
(HEGIS SURVEYS FY 1979-1983)

	Current Funds Revenue By Source in Thousands (x of Total) 1978-83				
	1978-79	1979-80	1980-81	1981-82	1982-83
Tuition and Fees	7137 ( 20.8)	6401 ( 16.8)	7293 ( 16.7)	7508 ( 15.8)	10158 ( 19.1)
State Appropriation	14053 ( 41.0)	16561 ( 43.3)	18208 ( 41.8)	19476 ( 41.0)	20571 ( 38.9)
Federal Grants and Contracts	1327 ( 3.9)	1893 ( 5.0)	2331 ( 5.3)	2399 ( 5.0)	2440 ( 4.6)
State Grants and Contracts	139 ( 0.4)	128 ( 0.3)	173 ( 0.4)	139 ( 0.3)	216 ( 0.4)
Local Grants and Contracts	5 ( 0.0)	22 ( 0.1)	28 ( 0.1)	25 ( 0.1)	61 ( 0.1)
Private Gifts, Grants & Contracts	777 ( 2.3)	818 ( 2.1)	1037 ( 2.4)	1090 ( 2.3)	1307 ( 2.5)
Endowment Income	164 ( 0.5)	190 ( 0.5)	211 ( 0.5)	292 ( 0.6)	303 ( 0.6)
Educational Activities	39 ( 0.1)	44 ( 0.1)	46 ( 0.1)	51 ( 0.1)	55 ( 0.1)
Auxiliary Enterprises	10184 ( 29.7)	11664 ( 31.0)	13787 ( 31.7)	14975 ( 31.5)	17021 ( 32.1)
Other	490 ( 1.4)	459 ( 1.2)	497 ( 1.1)	1604 ( 3.4)	876 ( 1.6)
TOTAL	34325 (100.0)	38180 (100.0)	43611 (100.0)	47559 (100.0)	53000 (100.0)

	Current Funds Revenue By Source Per FTE Student 1978-83		
	1978-79	1979-80	1980-81
Tuition and Fees	1201.7	1080.9	1189.5
State Appropriation	2366.2	2796.5	2969.8
Federal Grants and Contracts	223.4	319.7	380.2
State Grants and Contracts	23.4	21.7	28.2
Local Grants and Contracts	0.8	3.7	4.6
Private Grants & contracts	130.8	138.1	169.1
Endowment Income	27.6	32.0	34.4
Educational Activities	6.6	7.4	7.6
Auxiliary Enterprises	1716.5	1969.6	2248.7
Other	82.5	77.5	81.0
TOTAL	5779.6	6447.1	7113.2

	1981-82			1982-83		
	1981-82	1981-82	1981-82	1982-83	1982-83	1982-83
Tuition and Fees	1223.8	1223.8	1223.8	1638.9	1638.9	1638.9
State Appropriation	3174.6	3174.6	3174.6	3319.0	3319.0	3319.0
Federal Grants and Contracts	391.0	391.0	391.0	393.7	393.7	393.7
State Grants and Contracts	22.7	22.7	22.7	34.9	34.9	34.9
Local Grants and Contracts	4.0	4.0	4.0	9.8	9.8	9.8
Private Grants & contracts	177.7	177.7	177.7	210.8	210.8	210.8
Endowment Income	47.6	47.6	47.6	48.9	48.9	48.9
Educational Activities	8.3	8.3	8.3	8.9	8.9	8.9
Auxiliary Enterprises	2440.9	2440.9	2440.9	2746.2	2746.2	2746.2
Other	261.4	261.4	261.4	140.0	140.0	140.0
TOTAL	7752.1	7752.1	7752.1	8551.1	8551.1	8551.1

FIGURE 2  
CURRENT FUNDS REVENUE 1978-83

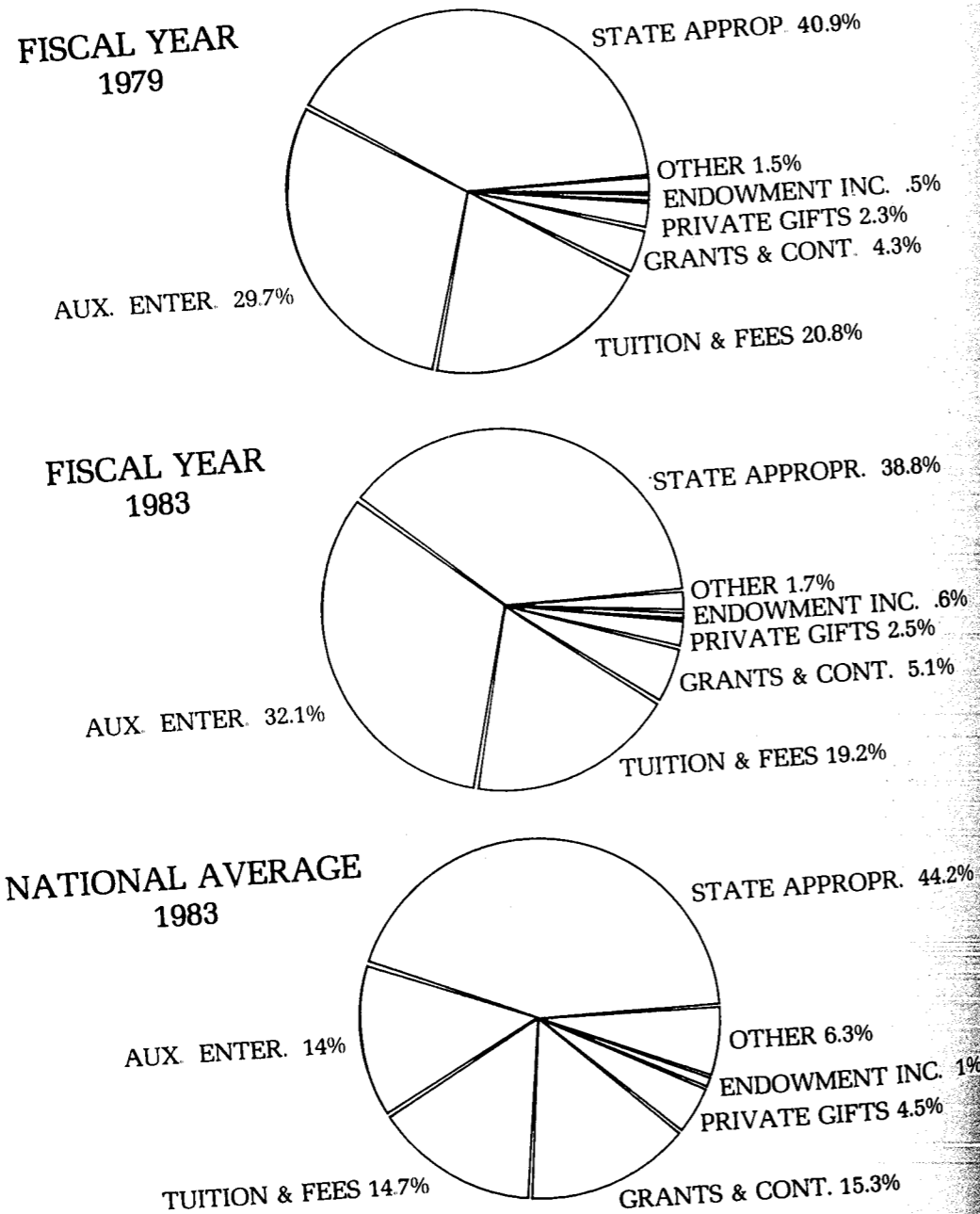


FIGURE 3  
EDUCATIONAL & GENERAL REVENUE

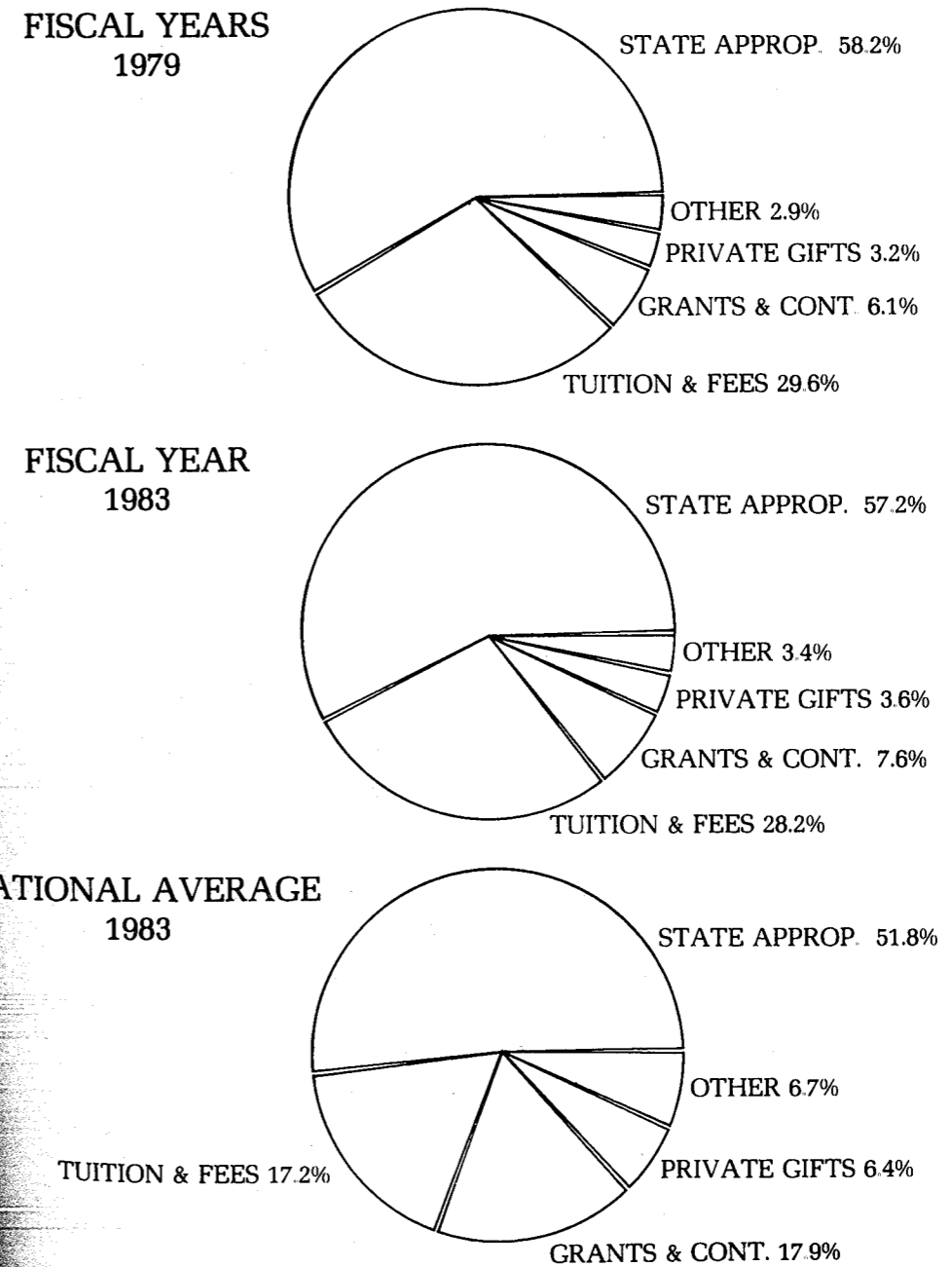


TABLE 2  
RATIO OF STATE APPROPRIATIONS  
TO TUITION AND FEES AS A REVENUE SOURCE

Year	State Appropriation	Tuition & Fees
1978-79	66%	34%
1979-80	72%	28%
1980-81	71%	29%
1981-82	72%	28%
1982-83	67%	33%

TABLE 3

Source	% of Total Revenues for 1982-83	% Increases During 5-year Period
Federal grants & contracts	4.6%	84%
State grants & contracts	0.4%	55%
Local grants & contracts	0.1%	0%
Private gifts, grants & contracts	2.5%	68%
Endowment income	0.6%	85%
Educational activities	0.1%	41%
Other	1.6%	77%

TABLE 4

Year	Amount of Surplus (in millions)
1978-79	1.1
1979-80	.2
1980-81	.7
1981-82	.9
1982-83	1.4

Clearly the shift of revenue to Auxiliary Enterprise income has changed dramatically the revenue profile of the College.

While the three aforementioned items comprise 90% of the revenue sources, it is important to note that most of the remaining revenue sources exhibited growth during the five-year period (Table 3). However, the growth patterns do not appear to follow a common formula. Federal grants and contracts grew at an annual rate of 43% and 23% for the first two years of the period. However, the growth leveled off to a much slower growth rate of 3% and 2% for the final two years in the period. Private gifts, grants, and contracts exhibited a different growth pattern of 5%, 27%, 5%, and 20% for the period. Finally, the endowment income grew at an annual rate of 16%, 11%, 38%, and 4% for the period.

While these remaining revenue sources comprise only a small percentage of the current fund revenues, it is important to note that such items provide the College with enhancement opportunities not available from the two major revenue sources. This is particularly so in terms of the fiscal constraints imposed on higher education by the Commonwealth of Virginia and the related policy shift which requires tuition to fund a greater percentage of the per student educational cost. Thus, it is anticipated that these remaining revenue sources will play an increasingly important role in terms of enabling achievement of the mission of the College.

Current fund revenues exceeded current fund expenditures for each of the years in the period (Table 4).

## 2. Current Funds: Expenditures

The Total Funds Expenditure profile (Table 5 and Figure 4) of the College demonstrates a slightly declining fraction of the institution's total expenditures are in the categories of Instruction, Academic Support, and Libraries. While Instruction has declined over the last five years from 35.2% of the total to 32.5%, Academic Support has increased by 1% (from 2.7% to 3.7%) and Library Support has increased modestly. These items which constitute the bulk of the "instructional program" have declined from 43.3% to 41.9% of the total. The national average in 1983 for Carnegie Foundation Category I institutions (see Figure 4) in these categories was 41.4% of total expenditures. Thus, the William and Mary expenditure profile appears to show no distinguishing features in this area. Similar comments hold for Educational and General Expenditures (E&G) as well (Table 6 and Figure 5). Instruction, Academic Support, and Libraries constituted 59.2% of the E&G expenditures in 1979 and 61.5% of E&G expenditures in 1983. The comparable 1983 national average is 48.2% for Category I public doctoral-granting universities. Clearly William and Mary over the last five years has spent an increasing share of its E&G funds on the instructional program and attendant support and continues to do so at a level above the national average. It must be noted, however, that William and Mary falls well below the Category I average in expenditures for Research. Nonetheless, if the Research expenditures at William and Mary were to be increased to the Category I average percentage, our 1983 expenditures for Instruction, Academic Support, and Libraries as a percent of E&G expenditures, i.e., when adjusted, would still remain well above those of comparable institutions.

42 William and Mary Self-Study

TABLE 5  
CURRENT FUNDS EXPENDITURES 1978-83  
(HEGIS SURVEYS FY 1979-83)

	Current Funds Expenditures in Thousands (% of Total) 1978-83					5-year increase (%)
	1978-79	1979-80	1980-81	1981-82	1982-83	
Instruction	11680 (35.1)	12641 (33.3)	14463 (33.7)	15707 (33.7)	16792 (32.5)	43.8
Research	1245 (3.7)	1277 (3.4)	1932 (4.5)	2013 (4.3)	2541 (4.9)	104.1
Public Service	251 (0.8)	289 (0.8)	204 (0.5)	303 (0.6)	377 (0.7)	50.1
Academic Support	883 (2.7)	880 (2.3)	993 (2.2)	1154 (2.5)	1910 (3.7)	116.3
Libraries	1787 (5.4)	2249 (6.0)	2348 (5.5)	2499 (5.4)	2932 (5.7)	64.0
Student Services	1096 (3.3)	1067 (2.8)	1433 (3.3)	1356 (2.9)	1559 (3.0)	42.2
Institutional Support	3103 (9.3)	3178 (8.3)	3619 (8.4)	4027 (8.6)	4071 (7.9)	31.1
Plant M & O	2718 (8.1)	3130 (8.2)	3862 (9.0)	3363 (7.2)	3639 (7.0)	33.9
Scholarships and Fellowships	1225 (3.7)	1589 (4.2)	1485 (3.5)	1117 (2.4)	1146 (2.2)	-6.4
Mandatory Transfers	239 (0.7)	233 (0.6)	207 (0.5)	178 (0.4)	172 (0.3)	-28.0
TOTAL E & C	24227 (72.9)	26533 (69.9)	30486 (71.0)	31717 (68.0)	35139 (68.0)	45.0
Auxiliary Enterprises	8994 (27.1)	11419 (30.1)	12433 (29.0)	14938 (32.0)	16478 (32.0)	83.2
GRAND TOTAL	33221 (100.)	37952 (100.)	42919 (100.)	46655 (100.)	51617 (100.)	55.4

	Current Funds Expenditures per FTE Student 1978-83				
	1978-79	1979-80	1980-81	1981-82	1982-83
Instruction	1966.7	2134.6	2359.0	2560.2	2709.3
Research	209.6	215.6	315.1	328.1	410.0
Public Support	42.3	48.8	33.2	49.4	60.8
Academic Support	148.7	148.6	152.2	188.1	308.2
Libraries	300.9	379.8	383.0	407.3	473.1
Student Services	184.5	180.1	233.7	221.0	251.5
Institutional Support	522.5	536.6	590.3	656.4	656.8
Plant M & O	457.7	528.5	630.0	548.2	587.1
Scholarships and Fellowships	206.3	268.3	242.2	187.1	185.0
Mandatory Transfers	40.2	39.3	33.8	29.0	27.8
TOTAL E & C	4079.3	4480.4	4972.4	5169.8	5669.4
Auxiliary Enterprises	5541.5	5782.2	4972.9	2434.9	2658.6
GRAND TOTAL	9620.8	10262.6	9945.3	7604.7	8328.0

FIGURE 4  
TOTAL EXPENDITURES 1978-83

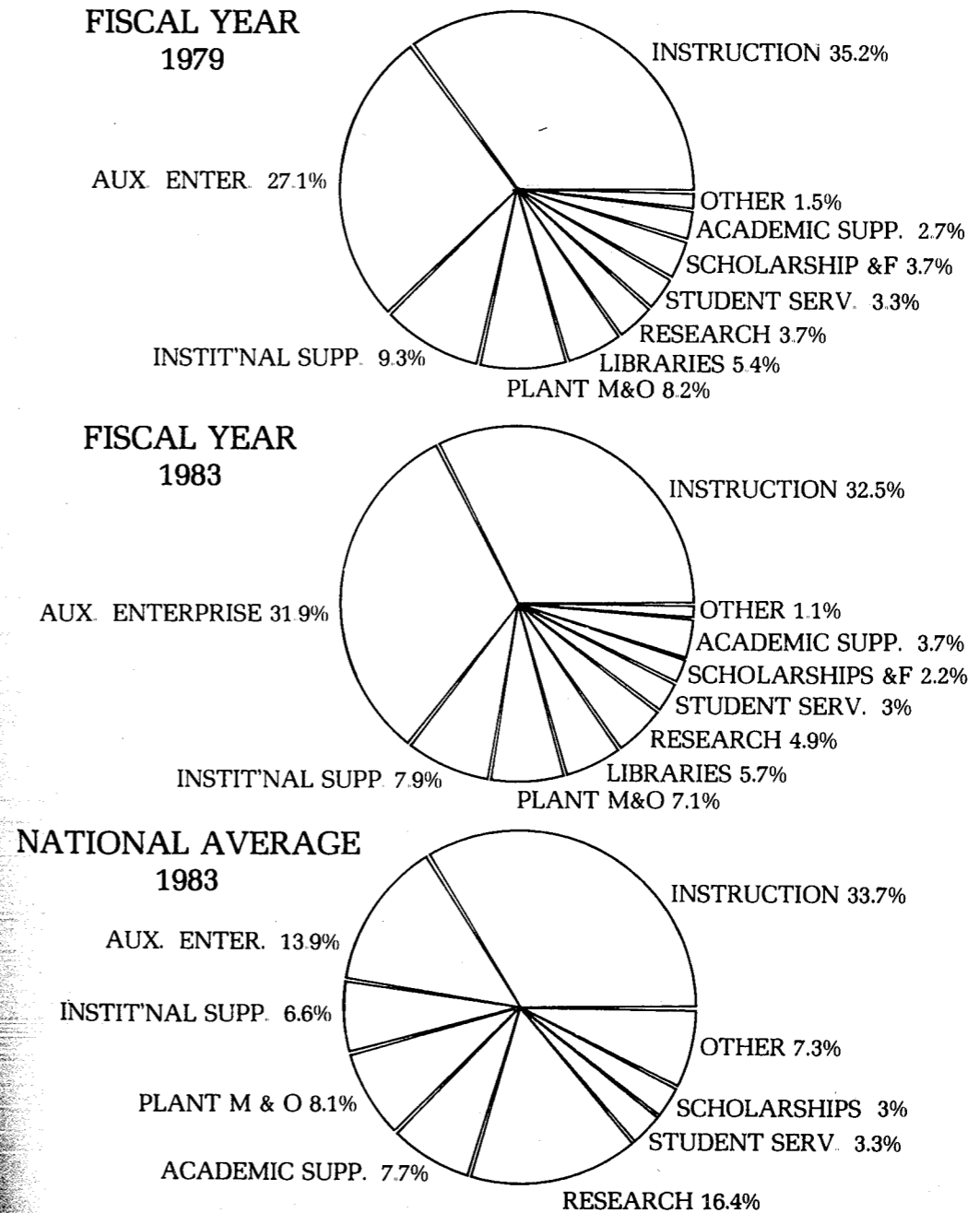
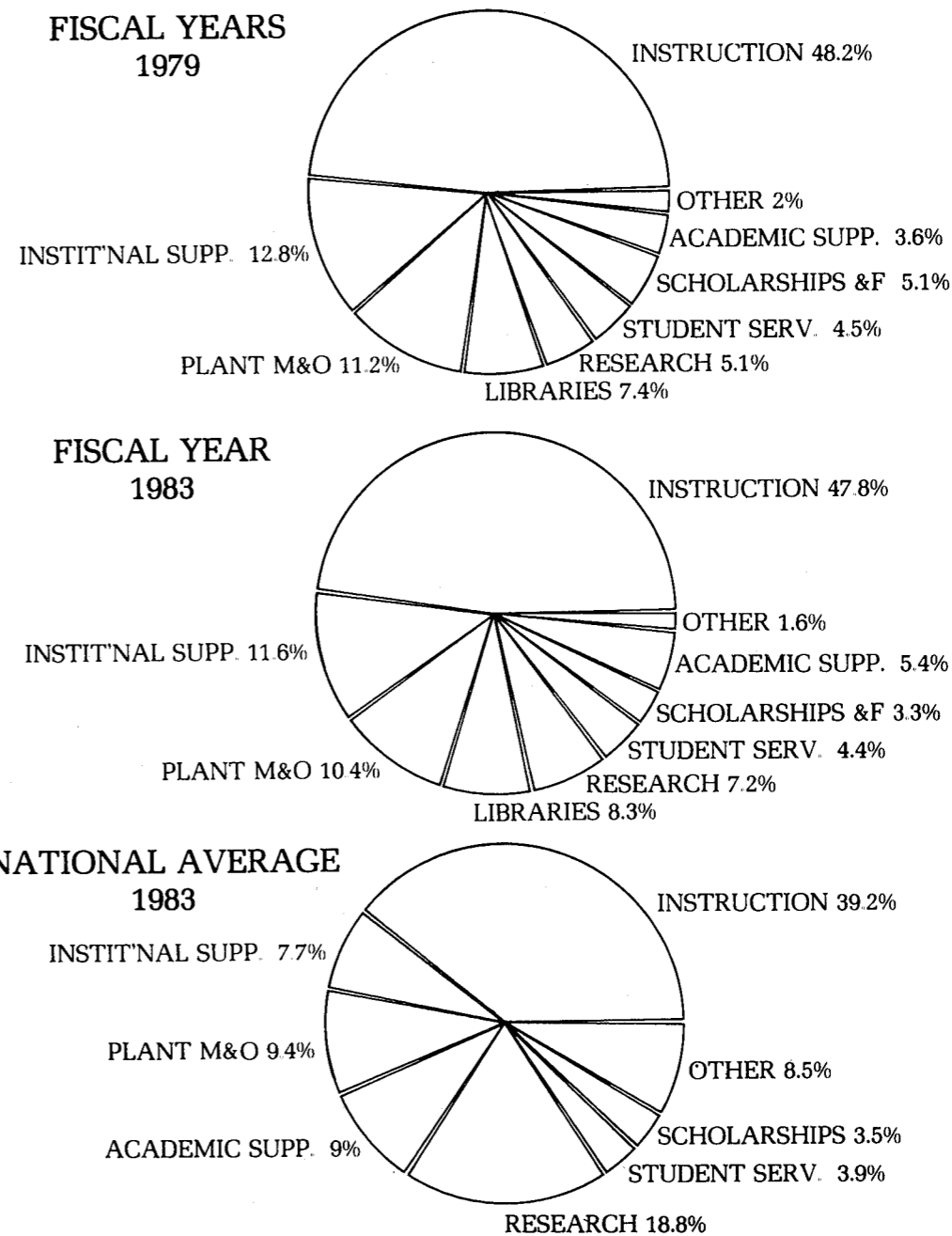


TABLE 6  
EDUCATIONAL AND GENERAL EXPENDITURES 1978-83  
(HEGIS SURVEYS FY 1979-83)

	Educational And General Expenditures in Thousands (% of Total) 1978-1983					5-year increase(2)
	1978-79	1979-80	1980-81	1981-82	1982-83	
Instruction	11680 (48.2)	12641 (47.6)	14463 (47.4)	15707 (49.5)	16792 (47.8)	43.8
Research	1245 (5.1)	1277 (4.8)	1932 (6.3)	2013 (6.3)	2541 (7.2)	104.1
Public Service	251 (1.0)	289 (1.1)	204 (0.7)	303 (1.0)	377 (1.0)	50.1
Academic Support	883 (3.6)	880 (3.3)	993 (3.1)	1154 (3.6)	1910 (5.4)	116.3
Libraries	1787 (7.4)	2249 (8.5)	2348 (7.7)	2499 (7.9)	2932 (8.3)	64.0
Student Services	1096 (4.5)	1067 (4.0)	1433 (4.7)	1356 (4.3)	1559 (4.4)	42.2
Institutional Support	3103 (12.8)	3178 (12.0)	3619 (11.9)	4027 (12.7)	4071 (11.6)	31.1
Plant M & O	2718 (11.2)	3130 (11.8)	3862 (12.7)	3363 (10.6)	3639 (10.4)	33.9
Scholarships and Fellowships	1225 (5.1)	1589 (6.0)	1485 (4.9)	1117 (3.5)	1146 (3.3)	-6.4
Mandatory Transfers	239 (1.0)	233 (0.9)	207 (0.7)	178 (0.6)	172 (0.5)	-28.0
TOTAL E & G	24227 (100.0)	26533 (100.0)	30486 (100.0)	31717 (100.0)	35139 (100.0)	45.0

	Educational And General Expenditures Per FTE Student 1978-1983				
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Mandatory Transfers	40.2	39.3	33.8	29.0	27.8
TOTAL E & G	4079.3	4480.4	4972.4	5169.8	5669.4

FIGURE 5  
E&G EXPENDITURES 1978-83



Other aspects of the university's expenditure profile deserve comment. An examination of the total expenditure profile (see Figure 4) show an increasing proportion of funds expended in Auxiliary Enterprises over the last five years. Further, total expenditures on Auxiliary Enterprises, Institutional Support, and Plant M&O have increased from 44.6% in 1979 to 46.9% of the total in 1983. In these categories the national average comparison figure is 28.6%. Plant M&O and Institutional support at William and Mary are at the national average yet Auxiliary Enterprise expenditures are 2.3 times higher than the national average for Category I institutions. Such differences are the result of complex and unique expenditure patterns at each institution, yet the Committee considers this difference to be significant and worthy of detailed further study by the Budget Advisory Committee.

Other data reviewed by the Committee included the amounts and breakdown of tuition and general fees since 1973-4 (Table 7), Instructional Faculty and Teaching and Research Administrators salary averages since 1978-79 (Tables 8 and 9), and salary averages and numbers of Classified Employees since 1978-79 (Table 10). Full-time Equivalent (FTE) enrollment figures are listed in Table 11.

In the period 1978-79 through 1982-83, tuition and general fees increased 46.3% for in-state students and 58.8% for out-of-state students. In the same period total expenditures increased 55.4% and E&G expenditures increased 45.0%. The increase in Auxiliary Enterprise fees are reflected in the cost to the student as well as in the expenditure profile. Thus, while tuition increased 11.3% for in-state students and 60.8% for out-of-state students since Fall 1978, general fees increased 165% for in-state students and 228% for out-of-state students in the same period.

In the same five-year period (Fall 1978-Fall 1982) the number of faculty increased slightly (3.8%) and faculty salaries have risen 32.7% for professors, 38.2% for associate professors, and 35.3% for assistant professors. When compared against the AAUP national averages for Category I institutions, William and Mary salaries rank 10-13% lower. This places the faculty salaries at the College in the lowest fifth of Category I institutions at each rank.

In the period Fall 1978 through Fall 1982, the number of T and R administrators remained nearly constant (see Table 9) and average salaries of those individuals increased by 36.6%. Table 10 presents similar data for Classified Employees since Fall 1978.

## D. EXTERNAL BUDGETARY CONTROL

### 1. Description

Operating funds for the College are derived from:

- a. the general fund of the Commonwealth of Virginia;
- b. non-general funds, generated through charges to students for tuition and other fees;
- c. granting sources (federal, state, and local); and
- d. private gifts and endowments.

TABLE 7  
TUITION AND GENERAL FEES  
ACADEMIC YEARS 1973-74 THROUGH 1982-83  
(BOARD OF VISITORS)

ACADEMIC YEAR	FULL-TIME			PART-TIME		
	IN-STATE		TOTAL	OUT-OF-STATE		TOTAL
	TUITION	GENERAL FEES		TUITION	GENERAL FEES	
1973-74	462	294	756	1632	294	1926
1974-75	634	280	914	1932	280	2212
1975-76	634	310	944	1932	310	2242
1976-77	634	324	958	1932	324	2256
1977-78	699	332	1031	2147	332	2479
1978-79	699	377	1076	2147	377	2524
1979-80	440	838	1076	2022	636	2658
1980-81	484	700	1184	2228	700	2928
1981-82	498	836	1334	2292	1076	3368
1982-83	637	937	1574	2831	1177	4008
1983-84	778 928 L	998	1776 1926 L	3452 3602 L	1238	4690 4840 L

NOTE: FIGURES APPLY TO ALL STUDENTS UNLESS OTHERWISE DESIGNATED: E.G., G=GRADUATE, L=LAW (FIRST PROFESSIONAL)



TABLE 8  
COLLEGE OF WILLIAM AND MARY  
AVERAGE SALARY AND AVERAGE COMPENSATION FOR FULL-TIME INSTRUCTIONAL FACULTY  
BY RANK AND ALL RANKS COMBINED - SINCE 1978-79

	PROFESSOR			ASSOCIATE PROFESSOR			ASSISTANT PROFESSOR		
	#	Av Sal	Av Comp	#	Av Sal	Av Comp	#	Av Sal	Av Comp
1978-79	128	24,959	27,248	132	19,454	21,553	78	15,799	17,642
1979-80	136	26,799	29,479	130	21,103	23,476	73	16,862	18,844
1980-81	150	29,582	33,052	132	23,750	26,816	65	18,703	21,234
1981-82	149	31,273	35,429	139	25,498	29,104	55	19,767	22,710
1982-83	162	33,122	37,983	124	26,893	31,263	53	21,382	24,995
1983-84	162	33,255	40,437	129	27,255	33,380	52	21,761	26,836

	INSTRUCTOR			OTHER**			ALL RANKS COMBINED		
	#	Av Sal	Av Comp	#	Av Sal	Av Comp	#	Av Sal	Av Comp
1978-79	7	13,717	15,312	-	-	-	345	20,553	22,655
1979-80	8	14,456	16,175	1	20,630	22,803	348	22,285	24,681
1980-81	7	15,285	17,415	1	22,086	24,855	355	25,119	28,238
1981-82	9	15,507	17,931	-	-	-	352	26,791	30,496
1982-83	13	16,218	19,175	-	-	-	352	28,536	32,965
1983-84	15	16,969	21,115	-	-	-	358	28,741	35,109

\* Salaries and fringe benefits of faculty on 12-month contracts have been converted to 9-month basis (using a conversion factor of 9/11ths or 81.8) and are included in the above tables.

\*\* OTHER includes Lecturer and Undesignated Rank.

Data Source: NCES Reports (used by AAUP).

Note: Basic AAUP reporting criteria specifies inclusion of members of the Instructional/Research Staff who are employed on a full-time basis whose major assignment is instruction, and who teach two semesters of the academic year.

TABLE 9  
TEACHING AND RESEARCH ADMINISTRATORS  
NUMBER AND AVERAGE SALARY AS OF 10/31/XX  
1978 THROUGH 1983

	Number	Average Salary
1978/79	63.50	23,134
1979/80	58.50	24,941
1980/81	58.50	27,409
1981/82	61.50	29,785
1982/83	60.00	31,607
1983/84	61.50	31,545

Note: Budget Salary Average excludes persons paid through Auxiliary Enterprises.

Data Source: Division of Personnel and Training Budget Salary Average

TABLE 10  
CLASSIFIED EMPLOYEES BY EEO CATEGORY  
NUMBER AND AVERAGE SALARY AS OF 10/31/XX  
1978 THROUGH 1983

EEO Category	1978		1979		1980		1981		1982		1983	
	#	Average Salary	#	Average Salary	#	Average Salary	#	Average Salary	#	Average Salary	#	Average Salary
<u>A</u> Exec/Admin Managerial	19	19,525	18	20,802	21	21,620	11*	20,077	14	27,453	13	27,091
<u>B</u> Professional	72	12,586	70	13,475	71	14,837	72	19,514	62.6	21,197	62.6	21,200
<u>C</u> Technical	26	13,973	27	15,428	31	16,189	25	17,051	22	17,960	24	16,884
<u>D</u> Protection Service	18	11,938	19	12,553	17	13,084	17	14,555	17	15,477	16	15,928
<u>E</u> Paraprofessional	5	7,373	6	7,648	6	7,983	26*	13,491	33	13,055	34	13,061
<u>F</u> Office/Clerical	190	8,736	186.5	9,319	179	10,287	180.5	11,418	176	12,262	174	12,324
<u>G</u> Skilled Craftsman	56	12,404	59	13,071	55	14,415	54	15,937	56	16,452	55	16,300
<u>H</u> Service Maintenance	155	7,262	144	7,743	147	8,195	139	9,007	127	9,996	116	10,111
TOTAL	541	9,930	529.5	10,657	527	11,610	524	13,127	507.6	14,084	494.6	14,147

\*A number of Category A were shifted to Category E.  
Data Source: OCR Compliance Report Personnel File, as of 10/31/xx (ROSOCR).

TABLE 11  
FULL-TIME EQUIVALENT ENROLLMENT (FTE)\*

Categories	Fall '78	Fall '79	Fall '80	Fall '81	Fall '82	Fall '83
Lower Division	2577	2568	2699	2649	2713	2766
Upper Division	2187	2123	2175	2205	2188	2225
1st-year Professional	448	462	488	507	509	508
1st-year Graduate	726	660	664	681	701	702
Advanced Graduate		109	105	93	87	124
Totals	5938	5922	6131	6135	6198	6325

\* The figures in this table are for the fall semester only; an average of the fall and spring semesters is generally slightly lower than the figure for the fall alone.

\*\* The figure for 1978-79 includes both 1st-year and advanced graduate students.

The State Department of Planning and Budget (DPB) issues instructions for preparation of biennial budget requests by state agencies. Each agency prepares a program proposal, using those DPB instructions, containing anticipated needs for all aspects of the operation. The proposal is evaluated at several levels in central state government (Secretary of Education, State Council for Higher Education, Department of Planning and Budget, etc.), after which a target budget is assigned each agency, in terms of dollars as well as number of personnel. A financial proposal is developed, within the target, with addendum items to cover needs over and above the targeted amounts.

All segments of the presentation are subjected to further scrutiny of the various central offices, after which recommendations from that level are made to the Governor, who then presents his own recommendations to the State Legislature. The Legislature, through an appropriation act, then approves funds for the ensuing biennium. During all of the preliminary work (program and financial proposals), the Board of Visitors is made aware of the procedures, and approves contents of the proposals; the Board provides advice and input as it deems necessary.

Once the appropriation is made, State DPB exercises control over the entire appropriation in a very broad way. Internally, the College Director of Planning and Budget, with the Provost, prepares departmental operating budgets. (Internal budgets are approved by the Board of Visitors at the program level, not the departmental level.) The Board is kept apprised of the budget operation throughout the year.

The College is audited by the State Auditor of Public Accounts to cover funds appropriated by the state (which includes grant funds), as well certain local funds. Private accounting firms audit other private funds. Federal grants and contracts are subject to audit by federal auditors as well as by an Internal Auditor who reports directly to an audit committee of the Board of Visitors. Private, locally controlled budgets are not subject to state control, but the Board of visitors does exercise responsibility and authority over such budgets.

## 2. Evaluation

### a. Strengths

- (1) Because of centralized controls at the State level, an agency cannot spend at will.
- (2) The date of approval of appropriation gives agencies an opportunity to plan more clearly for the ensuing biennium.

### b. Weaknesses

- (1) Appropriations are subject to reduction by the Governor alone, without legislative approval.
- (2) An institution's ability to use non-general funds which exceed its appropriation may be hindered by a lack of clearcut authority and delayed approvals for such use.

## E. PURCHASING, STORES, AND INVENTORY CONTROL

The areas of purchasing, stores, and inventory control are under the overall supervision of the Director of Purchases and Stores. Primary responsibilities of this Director include: procurement of equipment, materials, supplies, and services; arranging for printing not performed by the College Print Shop; and arranging for other contractual services required by all departments of the College. The Director also is responsible for maintaining a stores warehouse which stocks an inventory of various routine supplies and for control of inventoried property throughout the College. The Director of Purchases and Stores is a contracting officer of the College who approves all contracts, purchase orders, payments, and encumbrances of funds. The immediate staff includes: one full-time assistant to whom is delegated substantial responsibility; two full-time assistants who prepare solicitations, purchase orders, and contractual service agreements; one full-time assistant whose time is divided between the purchasing and the stores sections of this operation; one full-time clerk-typist; and three students whose time is divided equally between purchasing and the stores operations.

Purchases of supplies and equipment from state-appropriated funds, grants, and private funds are made as a result of formal invitations to bid, informal solicitations, and purchase orders to suppliers who have contracted with the Department of Purchases and Stores of the Commonwealth of Virginia for items used by the various state agencies. Items exceeding \$5,000 in value, and not included in state contracts, are purchased by requisition. The entire process (receipt of requisition to contract award) takes three to four weeks.

The stores inventory staff maintains stores and inventory control of supplies, prepares charges, and sends bills to departments which use supplies from warehouse stock. Responsibilities include maintaining supplies of items in the warehouse at a prescribed level, adding new items, and dropping those which are obsolete. Additional responsibilities include an annual inventory and the pricing of stores items issued to departments.

The warehouse staff includes a storekeeper supervisor, who supervises two assistant storekeepers, and a truck driver. The supervisor reports to the Director of Purchases and Stores. This staff is responsible for receiving stock and for keeping records of all incoming supplies and equipment through a maintenance file indicating the status of all purchase orders. Supplies are delivered from the warehouse to the departments twice a month.

As noted above, the Director of Purchases and Stores has overall responsibility for maintaining an inventory of all property within the College. Currently, only items with a cost of more than \$500 are capitalized in the state-mandated Fixed Asset Accounting and Control System (FAACS). The property control staff consists of a full-time supervisor, a full-time clerk, and a part-time clerk. The supervisor of the property control operation has responsibility for: determining whether or not an item of equipment is usable; deciding upon its disposition; assisting College departments by making necessary arrangements for the pick-up of non-usable items and acquiring usable property from a stock of surplus items; and submitting computer input sheets for FAACS.

The Department of Purchases and Stores of the College maintains a working association with the Accounts Payable section of the General Accounting Office. There are areas in which enforcement procedures for unauthorized purchases rest directly with the Director of Purchases and Stores, because there is no institutional policy on which the Director can rely for authoritative guidelines.

Questions to various administrators reveal that the current system for purchasing, stores, and property control provides little, if any, information which is useful in the calculation of indirect costs, budget control, or other areas. There appears to be general agreement that a computerized system for purchasing, stores, and property control is needed.

State auditors have recommended that the College establish a central receiving area as a control device. Locally, the concept is deemed impractical, largely because of the number of items which do not require a purchase order, such as library books, subscriptions, etc. Such items are delivered by United Postal Service or the U.S. Post Office directly to the ordering department or to the campus post office.

## F. MANAGEMENT OF INCOME AND CASHIERING

### 1. Receipt, Disbursement and Custody of Funds

The College almost has centralized cashing. All deposits go directly to the Treasurer, except that cash is accepted at "branch locations" like the bookstore, the library, the Campus Center, and police department, and William and Mary Hall. Cash is transferred from branch locations to the Treasurer whenever a total of \$100 is reached and at least once per week. State funds are sent to the State Treasurer whose office pays invoices. "Local funds" (non-state funds) are managed by Capitoline Investment Services, which examines the amount of local funds in the College's Williamsburg bank account each day and places any surplus in short-term investments.

The Board of visitors has the responsibility for management of an endowment fund. The Board has an investment policy which is reviewed annually. Table 12 details the Board of Visitors Endowment Investments and Income. Since 1982-83 detailed information regarding the budgeting of restricted and unrestricted revenues of the Board of Visitors Endowment has been made available widely through the Office of the Provost. The Committee strongly recommends this practice be continued and that trends in the budgeting of unrestricted funds be reviewed carefully by all appropriate committees of the faculty. Table 13 provides the budgeted expenditure information for 1983-84. The Committee reviewed only the expenditure of those endowment funds under the control of the Board of Visitors.

The management of restricted and agency funds is incorporated into the regular accounting system, and the procedures for auditing these funds are the same as for institutional funds. The College has no annuity funds.

Special programs, such as NDSL and Work Study, which are supported by external agencies but require institutional contributions are properly classified in the accounting system. Table 14 provides financial details of these programs.

TABLE 12  
ENDOWMENT INVESTMENT AND ENDOWMENT INCOME  
(AT MARKET VALUE)

Class of Investment	June 30, 1979 Investment Income	June 30, 1980 Investment Income	June 30, 1981 Investment Income	June 30, 1982 Investment Income	June 30, 1983 Investment Income
Rental Property	\$ 971,296	\$ 971,296	\$ 1,316,651	\$ 25,281	\$ 1,251,793
Non-Rental Property	16,888	16,888	16,888	16,888	16,888
Land	167,279	167,279	167,279	167,279	167,279
Mortgage Loans	945,721	951,789	936,465	46,790	812,411
Trust Funds	226,664	223,414	224,735	29,575	282,129
Bonds & Cash Equiv.	1,417,416	1,580,217	1,358,656	1,897,691	1,897,691
Preferred Stock	-	-	-	-	35,000
Common Stock	1,477,582	1,995,391	2,485,107	102,777	3,804,648
Inter-Fund Loans (Bkstr)	125,000	120,000	110,000	5,550	90,000
	<u>5,347,846</u>	<u>6,026,274</u>	<u>6,615,781</u>	<u>407,840</u>	<u>8,357,839</u>
Projected Growth in Endowment Corpus (5 Years)					
Rental Property	\$ 1,251,793	\$ 1,251,793	\$ 1,251,793	\$ 70,000	\$ 1,251,793
Non-Rental Property	16,888	16,888	16,888	16,888	16,888
Land	167,279	167,279	167,279	167,279	167,279
Mortgage Loans	700,000	600,000	500,000	19,200	300,000
Trust Funds	280,000	275,000	275,000	30,000	275,000
Bonds & Cash Equiv.	1,900,000	1,985,500	2,074,847	260,186	2,265,785
Preferred Stock	-	-	-	-	-
Common Stock	3,800,000	4,066,000	4,350,620	176,896	4,981,025
Inter-Fund Loans (Bkstr)	80,000	70,000	60,000	3,000	40,000
	<u>8,195,960</u>	<u>8,432,460</u>	<u>8,696,427</u>	<u>559,282</u>	<u>9,297,770</u>
					<u>516,670</u>

TABLE 13

PRIVATE FUNDS OF THE BOARD OF VISITORS  
OF THE COLLEGE OF WILLIAM AND MARY

REVENUES	RESTRICTED	UNRESTRICTED
FUND BALANCES 1 July 1983 (Actual)	1,283,035	1,114,231
PROJECTED REVENUE 1983-84 (Projected)		
Endowments	242,129	78,012
Other: Non-Pooled	-	17,150
Interest on Fund Balances	-	125,000
Property Rentals	-	315,265
Gifts and Recurring Revenues	-	613,000
Earnings from Direct Investments	23,000	-
Total Projected Revenues for 1983-84	265,129	1,148,427
AVAILABLE FOR EXPENDITURE 1983-84	1,548,164	2,262,658
BUDGETED EXPENDITURES	RESTRICTED	UNRESTRICTED
Faculty Support:	3,715	1,000
Faculty Awards	-	1,000
Jefferson Awards	77,035	27,433
Salary Supplements	-	56,000
Fringe Benefits	6,685	-
Eminent Scholars	26,666	109,000
Research Program	-	5,000
Faculty Exchange	114,101	209,433
Subtotal		
Academic Program Support:	141,372	3,000
Faculty of Arts and Sciences	111,340	-
School of Business	1,281	-
School of Education	154,736	1,500
School of Law	155,872	2,050
Swem Library	6,795	-
VIMS	571,396	6,550
Subtotal		
Student Support:	178,280	90,855
Scholarships	10,026	-
Fellowships	30,022	-
Foreign Studies	3,882	50
Prizes and Awards	-	10,160
Activities	222,210	101,065
Alumni Society	-	443,470
Rental Property:	-	199,000
Student Residences	-	84,500
Faculty and Staff Housing	-	-
Transfer to Renewal and Replacement	-	-
Property Administration	-	-
Student Residences	-	-
Operating Loss	-	-
Residence Property Repairs	-	283,500
Subtotal		

TABLE 13 (CONT'D)

PRIVATE FUNDS OF THE BOARD OF VISITORS  
OF THE COLLEGE OF WILLIAM AND MARY

BUDGETED EXPENDITURES	RESTRICTED	UNRESTRICTED
Institutional Advancement	2,022	-
Fund Administration	-	32,960
Institutional Support:		
President's Fund	17,989	-
Administrative Allowances	-	10,000
Administrative Salary	-	29,903
Supplements	-	5,000
Board of Visitors	-	13,200
Charter Day Exercises	-	5,000
Consultative Services	-	-
Provost's Contingency	-	25,000
President's Contingency	-	-
Rental of President's House- Richard Bland	-	600
Rental of President's House- William and Mary	-	1,800
Olde Guard Day	-	3,000
Alvin Duke Chandler Development	-	-
Subtotal	17,989	93,503
Muscarella Museum of Art	25,000	48,000
Other:		
Athletics:		
Men	133	-
Women	1,441	-
Special Purposes:		
Mike Fahringer Memorial	410	-
Warren Green Memorial	1,000	-
Adult Skills Program	494	5,000
Friends of the College	821	-
John Hocutt Memorial	1,032	-
Capital Outlay-Music Bldg. Preplanning Study	-	-
Capital Outlay-Swem Library Preplanning Study	-	-
Shakespeare Festival	-	12,115
STEP Program	-	30,000
Other Special Purposes	15,319	18,000
Summer Program-Elderhostel	933	-
18th Century Life Journal	-	3,000
Career Planning	-	6,500
Library Carpeting	-	5,000
Student Conference Travel	-	2,000
Visiting Speakers Program	-	3,000
Implementation of Virginia Plan	-	82,000
50th Reunion Class of 1938	-	-
Lettie Pate Evans Other Contractual Services	-	-
Chancellor's Special Purposes	-	-
City Service Charge	-	-
Insurance	-	-
Professional Services	-	-
Other Supplies	-	-
Subtotal	21,583	166,615
Improvement of Campus Facilities	9,582	1,000
TOTAL BUDGETED EXPENDITURES	983,883	1,386,096
ESTIMATED FUND BALANCES JUNE 30, 1984*	564,281	876,562

TABLE 14  
NATIONAL DIRECT STUDENT LOAN PROGRAM

	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84
Federal Capital Contribution	-0-	56,969	5,996	3,830	30,894	55,381
State Contribution	-0-	6,330	666	426	3,433	6,153

	WORK STUDY		TOTAL
	Federal	Institutional	
<u>1978-79</u>			
Earned compensation	68,858	17,214	
Administrative allowance	2,914	---	
	<u>71,772</u>	<u>17,214</u>	<u>88,986</u>
<u>1979-80</u>			
Earned compensation	87,006	21,752	
JLD	10,000	2,800	
Administrative allowance	2,993	---	
Transferred to SEOG	1,500	---	
	<u>101,499</u>	<u>24,552</u>	<u>126,051</u>
<u>1980-81</u>			
Earned compensation	91,350	22,837	
JLD	12,000	3,000	
Administrative allowance	6,959	---	
	<u>110,309</u>	<u>25,837</u>	<u>136,146</u>
<u>1981-82</u>			
Earned compensation	113,294	28,323	
JLD	10,000	2,500	
Administrative allowance	18,054	---	
	<u>141,348</u>	<u>30,823</u>	<u>172,171</u>
<u>1982-83</u>			
Earned compensation	128,536	32,134	
Job Location & Development (College Venture)	10,000	6,500	
Administrative allowance	2,863	---	
	<u>141,399</u>	<u>38,634</u>	<u>180,033</u>

2. Auxiliary Enterprises

The following have responsibility for financial management of each of the College's Auxiliary Enterprises:

- Student Residences-Director of Residence Hall Life
- Faculty Housing-Assistant Director of Auxiliary Enterprises
- Food Service-Acting Assistant Vice President for Business Affairs
- Bus System-Acting Assistant Vice President for Business Affairs
- Student Health Service-Director of Health Center
- Psychological Services-Director of Psychological Services
- Campus Center-Director of Campus Center
- Parking-Acting Assistant Vice President for Business Affairs
- Ash Lawn-Ash Lawn Resident Manager
- Bookstore-Bookstore Director
- William and Mary Hall-Director of William and Mary Hall
- Women's Athletic Association-Women's Athletic Director
- Men's Athletic Association-Men's Athletic Director
- William Small Precision Instruments Machine Shop-Chairman, Physics Department

State auxiliary enterprise net income is transferred to the Auxiliary Enterprises fund balance and applied to both capital improvements and unbudgeted operating overruns. For each private auxiliary enterprise, net income has been used to retire debt, build reserve funds, replace equipment, or make capital improvements for that enterprise, except that net income from the Board of Visitors and John Barton Payne Property becomes unrestricted Board of Visitors income.

Auxiliary enterprises have been well funded, largely as a result of the availability of a general auxiliary services fee, which incurs balanced operating budgets and the capital improvement program. A potential problem is created by the fact that programmatic responsibility is decentralized, with the Director responsible to Business Affairs, Student Affairs, or Academic Affairs for different enterprises; but financial responsibility is centralized. This organizational structure has worked, however, largely through the cooperation of the individuals involved. Table 15 lists the net income for each Auxiliary Enterprise since 1978-79. Table 16 shows the long-term indebtedness, the related terms, and the provisions for its amortization.

G. SUMMARY AND PROJECTIONS

In the Introduction, this report suggested that its readers should be able to discern patterns in the expenditure profile which bear on issues raised by other committees of the Self-Study. The single question which should be asked in this regard by the Board of Visitors, the administration, the administration-to-be, and relevant committees of the faculty is, in our opinion: if continued, what effect will present trends in the expenditure profile of the College have on the future well-being of its academic programs? We have found state funds, i.e., E and G funds, generally to be well managed and their expenditure pattern to be

TABLE 15  
NET INCOME  
AUXILIARY ENTERPRISES  
1978-1983

State Aux.Ent.	78-79 net	79-80 net	80-81 net	81-82 net	82-83 net
Campus Center	[10,575]	[ 2,372]	[16,375]	[56,490]	[20,639]
Campus Parking	[ 9,774]	[10,075]	[20,543]	[14,106]	10,786
Faculty Housing	[23,425]	[24,067]	[25,652]	[38,364]	[47,391]
Food Service	18,129	[19,619]	23,591	[58,744]	[ 6,995]
Campus Bus Service	[ 2,279]	[15,638]	[51,132]	[39,366]	[13,291]
Student Health	5,391	35,060	1,187	66,334	19,331
Student Residences	220,847	92,217	153,390	[125,098]	85,764
W&M Hall	[41,854]	[66,373]	[75,103]	[108,274]	[137,187]
Psych.Services	<u>156,460</u>	<u>8,962</u> [ 2,005]	<u>30,189</u> 19,552	<u>[ 6,978]</u> [380,996]	<u>6,480</u> [103,142]
<u>Private Aux.Ent.</u>					
Ash Lawn	14,251	30,000	44,047	16,043	2,744
Bookstore	92,058	195,395	188,074	95,214	193,708
BOV Property	45,721	40,949	35,735	24,590	60,288
JB Payne Property	209	[ 3,116]	5,385	690	[ 540]
Men's AA	140,069	[22,244]	30,067	[147,063]	[ 67,215]
Women's AA	[ 4,144]	[ 9,907]	[26,053]	8,502	[ 1,721]
Machine Shop	10,316	[ 7,029]	3,061	[ 16,388]	5,789

well within national norms by percentage. Two other areas, however, should be studied by the Budget Advisory Committee or by another appropriate faculty committee. These are: (a) Auxiliary Enterprises expenditures and services and (b) the budgeting of private funds of the College.

Our study indicates a considerably higher than expected percentage of total expenditures in the area of Auxiliary services compared to "similar" institutions. We, therefore, recommend a thorough study of Auxiliary Enterprise expenditure be undertaken to determine whether any unusual situations exist at William and Mary which result in the pattern observed and whether changes should be recommended in the levels or the quality of auxiliary services provided by the institution.

In the realm of private funds expenditures a similar study should be undertaken to determine whether the "draw-down" policy on Endowment funds provides both the surety of investment return and the disposable income necessary to enhance the university's academic programs in the future. It is our opinion that the Financial Affairs Committee of the Board of Visitors, working closely with the administration and the faculty, should examine the spending and budgeting policies of the institution, *viz.*, private funds, and determine whether the current policies are consistent with the institution's stated academic priorities and with its long-range plan for future enhancements in its academic programs.

Specifically, it appears that a large fraction of the *unrestricted* private funds of the Board of Visitors are, in fact, restricted by action of the Board *outside* the "normal" budgeting process. The largest single item in this category is the annual allocation to the Society of the Alumni but other lines are similarly treated. Our report examined only those private endowments held by the Board of Visitors as was the case with the 1974 Self-Study.

Finally, the Committee wishes to acknowledge the major contributions of William J. Carter, former Vice President for Business Affairs, whose tenure in that office has ended since the last Self-Study.

TABLE 16  
LONG TERM INDEBTEDNESS

DESCRIPTION	AMOUNT AUTHORIZED AND SOLD	DATE ISSUED	AMOUNT OUTSTANDING	INTEREST RATE PAYABLE	MATURITY
COMMONWEALTH INDEBTEDNESS: STUDENT RESIDENCES: Revenue Bonds: Fraternity Complex	\$ 2,245,000.00	03-15-67	605,000.00	4 % Semi-Annually 4 % Semi-Annually 4 % Semi-Annually	140,000 Annually 1984 145,000 1985; 155,000 1986 165,000 1987
Botetourt Residences	2,800,000.00	12-01-71	1,635,000.00	4 3/10% Semi-Annually 4 3/10% Semi-Annually 4 1/2 % Semi-Annually 4 1/2 % Semi-Annually 4 1/2 % Semi-Annually 4 1/2 % Semi-Annually	147,000 Annually 06-01-84 169,800 06-01-85 169,800 06-01-86 183,800 Annually 06-01-87-88 192,400 Annually 06-01-89-90 198,000 Annually 06-01-91-92
Renovation of Dormitories	3,000,000.00	06-03-76	2,350,000.00	5 1/4 % Semi-Annually 5 1/4 % Semi-Annually 5 1/4 % Semi-Annually 5 1/4 % Semi-Annually 5 1/4 % Semi-Annually 5 1/4 % Semi-Annually 5 1/4 % Semi-Annually 5 1/4 % Semi-Annually 5 1/4 % Semi-Annually 5 1/4 % Semi-Annually 5 1/4 % Semi-Annually 5 1/4 % Semi-Annually	130,000 05-01-84 135,000 05-01-85 145,000 05-01-86 155,000 05-01-87 160,000 05-01-88 170,000 05-01-89 180,000 05-01-90 190,000 05-01-91 200,000 05-01-92 210,000 05-01-93 220,000 05-01-94 225,000 05-01-95 230,000 05-01-96

DESCRIPTION	AMOUNT AUTHORIZED AND SOLD	DATE ISSUED	AMOUNT OUTSTANDING	INTEREST RATE PAYABLE	MATURITY
Randolph Residences	\$ 3,500,000.00	02-23-82	3,380,000.00	12 % Semi-Annually 12 % Semi-Annually 12 % Semi-Annually 12 % Semi-Annually 12 % Semi-Annually 12 % Semi-Annually 12 % Semi-Annually 12 % Semi-Annually 11 % Semi-Annually 11 % Semi-Annually 11 1/10% Semi-Annually 11 3/10% Semi-Annually 11 4/10% Semi-Annually 11 5/10% Semi-Annually 11 6/10% Semi-Annually 11 6/10% Semi-Annually 8 % Semi-Annually	125,000 06-01-84 130,000 06-01-85 135,000 06-01-86 140,000 06-01-87 150,000 06-01-88-89 160,000 06-01-90 170,000 06-01-91 180,000 06-01-92 185,000 06-01-93 195,000 06-01-94 205,000 06-01-95 125,000 06-01-96 225,000 06-01-97 235,000 06-01-98 245,000 06-01-99 250,000 06-01-00 285,000 06-01-01
			<u>2,1970,000.00</u>		

TABLE 16 (CONT'D)  
LONG TERM INDEBTEDNESS

DESCRIPTION	AMOUNT AUTHORIZED AND SOLD	DATE ISSUED	AMOUNT OUTSTANDING	INTEREST RATE PAYABLE	MATURITY
ACADEMIC BUILDINGS Revenue Bonds: William and Mary Hall	2,150,000.00	12-01-71	1,255,000.00	4 3/10% Semi-Annually 4 3/10% Semi-Annually 4 1/2 % Semi-Annually 4 1/2 % Semi-Annually 4 1/2 % Semi-Annually 4 % Semi-Annually	113,000 Annually 06-01-84 130,200 06-01-85 141,200 06-01-86 147,600 Annually 06-01-87-88 152,000 Annually 06-01-89-90
TOTAL ACADEMIC BUILDINGS	<u>2,150,000.00</u>		<u>1,255,000.00</u>		
Other: Revenue Bonds: Student Health Center	570,000.00	07-01-73	385,000.00	5 1/2 % Semi-Annually 5 1/2 % Semi-Annually 4 9/10% Semi-Annually 4 9/10% Semi-Annually 5 % Semi-Annually 5 % Semi-Annually 3 1/2 % Semi-Annually 3 1/2 % Semi-Annually	25,000 Annually 01-01-84 30,000 01-01-85 30,000 Annually 01-01-86-87 35,000 Annually 01-01-88-89 35,000 01-01-90 40,000 Annually 01-01-91-92 40,000 01-01-93 45,000 01-01-94
TOTAL OTHER	<u>570,000.00</u>		<u>385,000.00</u>		
TOTAL COMMONWEALTH INDEBTEDNESS	\$14,265,000.00		<u>9,610,000.00</u>		
INSTITUTIONAL INDEBTEDNESS: Notes Payable: Bookstore Mortgages Payable: John Barton Payne Endowment Bonds Payable: Cary Field Stadium Renovation	\$ 260,000.00 185,000.00 1,200,000.00	07-01-66 02-23-83	90,000.00 19,887.50 1,160,000.00	5 % Annually 7 1/2 % Annually	10,000.00 Annually 06-01-84-9 19,887.50 07-05-83
TOTAL INSTITUTIONAL INDEBTEDNESS	<u>\$ 2,645,000.00</u>		<u>1,269,887.50</u>		
TOTAL COMMONWEALTH AND INSTITUTIONAL INDEBTEDNESS	<u>\$15,910,000.00</u>		<u>10,879,887.50</u>		



## V. FACULTY

### INTRODUCTION

In many ways, the faculty is the essence of what students, alumni, the scholarly community, and the general public perceive as "the College." This Committee believes that William and Mary's national reputation and excellence in education in the coming decade depend on faculty morale and adequate levels of support in all areas. To ensure high faculty morale and performance in the 1980s and 1990s may indeed be both challenging and expensive. We have concluded, however, that for the faculty the basic structures, guarantees, procedures, and mission of the institution are sound.

For data, the Committee has relied on responses to questionnaires, quantitative material provided by the Office of Institutional Research, and interviews with faculty and administrators. On all topics, attitudes and procedures of all of the faculties have been considered in order to present an all-College perspective.

The main body of the report discusses topics perceived to be of most crucial importance to the continuation and enhancement of the high reputation that William and Mary has enjoyed. The appendixes contain brief surveys of other matters of interest to the faculty and the Commission on Colleges of the Southern Association of Colleges and Schools. The section on "Projections" contains recommendations.

### A. FACULTY ORGANIZATION

The *Faculty Handbook* (pp. 24-47) describes the organization of the faculty and defines faculty membership. The *Handbook*, which is generally clear, and the bylaws of the various faculties are distributed to all faculty members. Faculty organization has undergone some changes in the past decade, most notably in committees which deal with College planning and budgetary matters, and faculty participation in governance appears to work well on some levels. At two levels, however, faculty organization is either inadequate to conduct the business of the faculty or is *perceived* to be deficient in providing channels of communication within the faculty. Members of the Faculty of Arts and Sciences, the largest of the faculties, more frequently express concern about inadequate communication. At the university level, there is no faculty advisory or policy-making body which considers issues which must be implemented throughout the university community; the lack of such a body occasionally causes serious problems.

On the Self-Study questionnaire, a significant number of faculty replied that they felt "disenfranchised" from the College and that they received inadequate information on major policy decisions. Several commented that the College was

run by "faceless committees" and complained that they read College news in the local newspapers before being informed by the College administration. The frustration perhaps derives from several sources; a total of 42 university committees and many others in the schools consider different aspects of College policy, and one could hardly be well-informed on all of their discussions. The lack of a College senate means that some policy decisions necessarily are arrived at through interaction of administrative officers of the College, some relevant College advisory committees, and the Board of Visitors. Finally, a unique situation in which the Faculty of Arts and Sciences will have had three different deans within three years coupled with the appointment of new deans in the Business and Education Schools and the resignation of the current President and Provost has added to a feeling of uncertainty in the College community. The incoming President and Provost as well as the new Dean of the Faculty of Arts and Sciences will be well advised to try to maintain open lines of communication as much as possible. Several faculty members have suggested that the *William and Mary News* might facilitate more campus communication through a "letters to the editor" column; important College committees might be encouraged or required to submit summaries of actions taken or important issues pending. An administrative style of openness, although clearly not appropriate on all issues, could do much to dispel the dissatisfaction.

The more serious problem is the continuing absence of a College senate, or some comparable body. The 1974 Self-Study recommended that "The College should give high priority to the development of a faculty senate as an institutional device for sharing authority." The last extended debate on a faculty senate took place in 1975 and foundered on the inability of the various faculties to reach agreement on the representation that each should have. On the current Self-Study questionnaire, 138 faculty members thought that a faculty senate was needed, and 59 opposed the idea. Several noted that their approval would be contingent upon acceptable details of representation and authority. In spite of the generally strong support for a senate, spokespersons for some of the professional schools strongly oppose the idea at the moment. If approval of all faculties is necessary to bring a senate into being, it may be impossible to create such a body. This Committee also was divided on the issue.

In recognition of the strong sentiment for a senate, a committee might be appointed to reopen the discussion and be charged to give careful consideration to the concerns of the professional schools. Such a committee might also recommend the creation of an all-College council as an interim measure. A council could draw representation from all the faculties but would be advisory only. The body might provide a valuable bridge to the various faculties, could recommend actions to their respective faculties, and could also serve as a review board on some College matters which currently are assigned to other minor committees (Academic Calendar Advisory, Campus Facilities Policy and Scheduling, etc.). The faculties nearly unanimously support the construction or purchase of a building to house the faculty club as another means of encouraging interaction among the College community. Frequent informal interaction has become more difficult for the faculties since the opening of the "new" campus in the early 1970s and the new Marshall-Wythe Law School building in 1980 and the change in status of the School of Marine Science in the university.

## B. PROFESSIONAL GROWTH AND FACULTY SUPPORT

A full discussion of research and scholarly activities may be found in the section of the Self-Study which deals with research. Beginning with the 1981-82 academic year, scholarly activities of the faculty have been documented in the *Annual List of Publications and Other Scholarly and Artistic Contributions*, which the Dean of Graduate Studies of Arts and Sciences edits.

The college provides, through departmental or school M&O budgets, some support for faculty to purchase supplies, documents, and necessary services, as well as to attend conferences. These funds have been severely limited in the last three years, however, principally because of mandated reversions of state funds. In some cases M&O funds have not provided adequate support for even a moderate level of professional activity. In some departments and schools, faculty members have lamented a lack of travel funds or secretarial assistance for typing manuscripts. Most faculty members could profitably use computer terminals or microcomputers in their offices. Unless the M&O budgets reflect the increasing cost of goods and services which are necessary for faculty research and teaching, the inevitable conclusion is that some areas will suffer in quality.

The faculties and the administration encourage professional growth in the areas of teaching and course development. Federal and state awards have been secured to encourage course development in the humanities, and the College has supported workshops for faculty to prepare to teach in the interdisciplinary Honors Program. The annual Jefferson Award recognizes excellence in teaching, and departments and schools consider teaching effectiveness in their tenure, promotion, and salary recommendations.

## C. FACULTY COMPENSATION

Faculty compensation is clearly one of the most pressing matters of faculty concern. In its October 26, 1983 report, the Board on Faculty Compensation summarized its specific findings:

(P)ublic funds have not been sufficient during the past decade to ensure quality education at the College.... Nationally, William and Mary still falls below the bottom 20th percentile in all three professorial ranks among doctoral-granting institutions. Within Virginia, William and Mary ranks approximately eighth on a comparison adjusted by rank.... Taking into account inflation, faculty salaries have fallen between 17 and 24 percent in real dollars during the past decade.

Steps taken recently to rectify this situation are encouraging (Tables 1, 2, and 3). They include: the Commonwealth's assumption in 1983-84 of the individual contribution to the Virginia Supplemental Retirement System (VRS), the assumption in 1984-85 of the individual contributions to the

TABLE 1  
NATIONAL PEER GROUP UNIVERSITIES\*  
Faculty Salaries, 1982-83

	Professor \$		Assoc. Prof. \$		Asst. Prof. \$	
	Ranking	Average Salary by Rank (\$ to nearest \$100)	Ranking	Average Salary by Rank (\$ to nearest \$100)	Ranking	Average Salary by Rank (\$ to nearest \$100)
Auburn	20	34.7	17	27.1	13	22.7
Alabama	17	35.6	23	26.4	21	21.8
Arizona State	6	39.3	6	29.8	6	24.1
Arkansas	22	34.2	20	26.8	18	22.1
California-Riverside	8	38.9	20	26.8	14	22.4
California-Santa Barbara	4	40.5	12	27.8	10	23.4
Northern Colorado	31	30.3	31	22.8	31	18.7
Delaware	5	40.3	9	28.4	14	22.4
Georgia Tech	3	40.9	4	30.7	1	26.5
Southern Illinois-Carbondl	27	32.7	29	25.1	29	20.4
Kansas State	15	36.0	25	26.0	12	23.1
Louisville	18	35.1	25	26.0	19	22.0
Louisiana State & University	9	38.5	8	29.3	5	24.2
Maine-Orono	28	32.2	30	24.8	30	20.0
Mississippi State	29	31.9	28	25.4	26	21.3
Missouri-Kansas City	24	34.1	15	27.3	21	21.8
Nebraska-Lincoln	22	34.2	24	26.1	19	22.0
New Hampshire	12	34.4	18	26.9	27	21.0
New Mexico State	15	36.0	14	27.6	14	22.4
Cornell-Satutory	7	39.1	5	30.0	3	25.1
CUNY-Graduate School						
SUNY-Albany	2	45.0	1	32.4	4	24.7
SUNY-Stony Brook	1	45.7	1	32.4	8	23.6
North Dakota	25	33.1	16	27.2	14	22.4
Oklahoma State	14	37.0	10	28.2	7	23.8
Oklahoma-Norman	10	38.4	7	29.6	9	23.5
South Carolina-Columbia	13	37.5	13	27.7	21	21.8
Vermont	19	34.9	22	26.7	24	21.7
West Virginia	30	31.7	27	25.7	28	20.7
Wisconsin-Milwaukee	11	38.3	11	28.0	11	23.3
Wyoming	12	38.2	3	31.7	2	25.5
William and Mary	25	33.1	18	26.9	25	21.4

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TABLE 2  
1982-1983 FACULTY SALARIES AND COMPENSATION BY RANK IN VIRGINIA COLLEGES AND UNIVERSITIES

	Average Salary by Rank		
	PROFESSOR	ASSOCIATE	ASSISTANT
1. UVA	41.8	28.8	22.6
2. VPI	38.7	28.6	22.2
3. ODU	33.9	26.6	21.2
4. RICHMOND	33.4	25.8	21.2
5. VCU	32.3	25.5	20.9
6. G. MASON	31.8	25.4	20.4
7. W&L	31.7	25.2	20.2
8. W&M	31.3	24.3	20.1
9. J. MADISON	30.7	23.7	20.1
10. HOLLINS	28.6	23.4	19.8
11. NORFOLK ST.	27.9	23.3	19.8
12. BLUE RIDGE			19.7
13. SOUTHWEST			19.7
14. NORTHERN			19.7

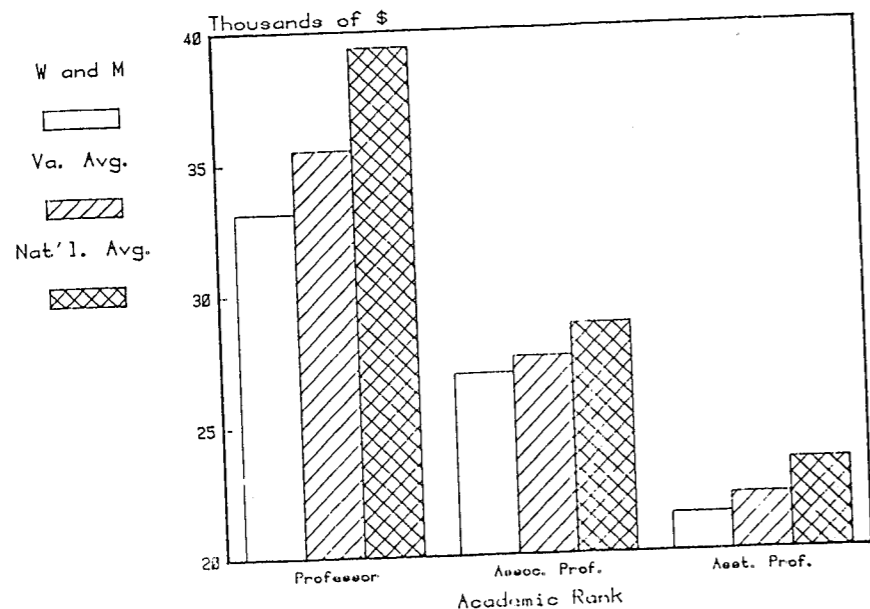
  

	Average Compensation by Rank		
	PROFESSOR	ASSOCIATE	ASSISTANT
1. UVA	49.4	34.5	25.9
2. VPI	43.2	32.3	25.5
3. RICHMOND	36.8	30.5	25.3
4. ODU	38.4	30.2	24.3
5. W&L	38.4	29.3	24.2
6. VCU	36.7	29.1	23.9
7. HOLLINS	36.0	28.9	23.8
8. G. MASON	35.5	28.3	23.2
9. W&M	35.4	28.3	23.2
10. SWEET BRIAR	34.2	26.7	22.7
11. J. MADISON	32.9	26.6	22.2
12. RICHARD BLAND			22.2

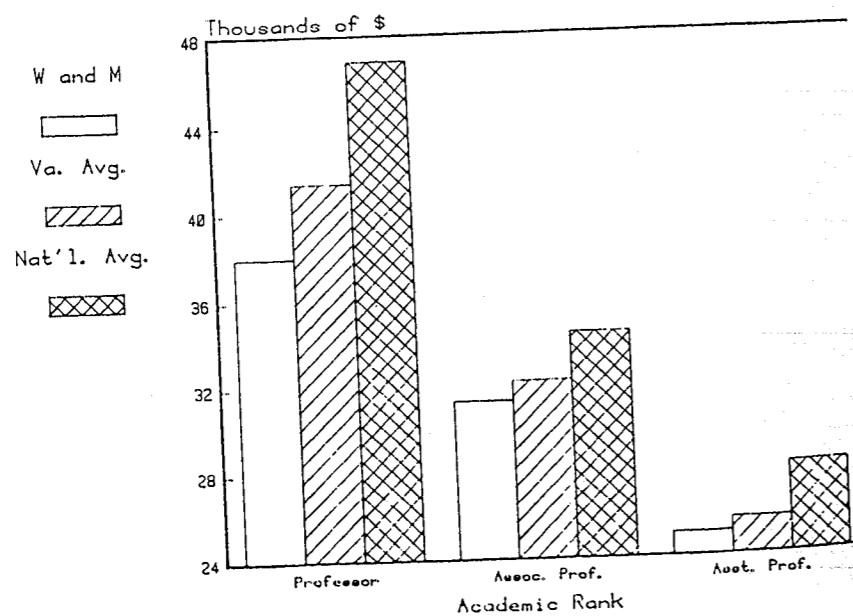
  

	Average Salary by Rank		
	PROFESSOR	ASSOCIATE	ASSISTANT
1. UVA	53.0	37.0	28.2
2. VPI	46.4	35.2	27.6
3. RICHMOND	42.6	33.4	27.2
4. W&L	41.6	32.4	26.3
5. ODU	40.2	31.9	25.2
6. HOLLINS	39.4	31.4	25.2
7. VCU	39.0	31.3	25.0
8. G. MASON	38.8	30.9	25.0
9. MARYMOUNT	38.5	30.6	25.0
10. SWEET BRIAR	38.2	30.2	25.0
11. W&M	38.0	30.1	23.9
12. VPI	37.8		23.5

TABLE 3  
W and M Salaries 1982-3



W and M Compensation 1982-3



Commonwealth's life insurance plan, the March 1984 inauguration of a dental plan, the 10% salary increase budgeted for both 1984-85 and 1985-86, recent salary adjustments for the Schools of Business and Law, and the initiation of a capital fund drive for faculty compensation. The administration is clearly aware of the seriousness of the situation.

The improvements in overall compensation that have either occurred or been scheduled for future implementation are salutary. Further steps are, nevertheless, both necessary and appropriate if William and Mary is to fulfill its function as a center of excellence. *Especially when the College is properly viewed as a research university, the faculty is inadequately compensated, whether that compensation is analyzed in terms of salaries, fringe benefits, or the total compensation package.* Inadequate compensation makes it difficult to attract and retain the highly competent teachers and scholars so vitally necessary for this institution to function properly; it also directly affects performance and morale.

Any comparison of William and Mary with other institutions is difficult in light of the large number of variables, and the College's appropriate place in the comparative compensation scheme could be determined in any number of ways. Yet, any analysis of the various figures demonstrates that William and Mary has not obtained what its faculty considers adequate compensation. Moreover, the administration's modest goal, not yet achieved, has been only to bring faculty compensation "to at least the lower 30th percentile among the AAUP's Category I institutions...." Recognizing both that we live in a time of limited public and private resources, and that university excellence is not in fact dependent on fine gradations in compensation, the limited goal presently expressed by the administration is fundamentally inconsistent with the need for the College not only to be a center of national excellence, but also to be so perceived.

#### D. PART-TIME FACULTY AND GRADUATE ASSISTANTS

Personnel policies and benefits relating to the employment of part-time faculty, or those on "temporary and restricted appointments," are described in the *Faculty Handbook* (pp. 49, 51, 55-63, 70, 101-106). Part-time faculty, or those on temporary and restricted appointment, have faculty status but are by definition not eligible for tenure, promotion, and most fringe benefits. They usually are recruited and appointed as specified on pp. 68-72 of the *Handbook*; but in some unusual cases, they may be recruited with only a minimal, regional search. If the "temporary and restricted appointment" is renewed by "subsequent and separate agreement," salary and evaluation procedures as specified on pp. 98-99 would be in force as appropriate. It should be noted that faculty who are hired to work on a full-time basis for one semester are also classified as part-time faculty.

Relatively few graduate students are actually teaching assistants (Table 4). Graduate teaching assistants sometimes receive faculty contracts as "temporary and restricted appointments." In these cases, their status and guarantees would be the same as those of other part-time faculty. There is no explicit provision in the *Faculty Handbook* with regard to personnel policies and guarantees for teaching assistants who do not receive faculty contracts. In matters of academic freedom, for example, they would be covered by the *Statement of Rights and*