



UNIVERSITY OF MINNESOTA

University Senate Consultative Committee  
164 Food Science and Nutrition  
1334 Eckles Avenue  
St. Paul, Minnesota 55108  
Telephone (612)373-3226

AGENDA

SENATE CONSULTATIVE COMMITTEE

Thursday, December 2, 1982

1:00 - 3:00

626 Campus Club

Approx. time

- |      |  |
|------|--|
| 1:00 | 1. Managing the circulating file.  |
|      | 2. Minutes of November 18 (enclosed).  |
|      | 3. Report of Chair (enclosed).   |
|      | 4. Report of Student Chair.  |
| 1:15 | 5. Report on Senate and Assembly committees.   |
| 1:25 | 6. Committee reports.  |
|      | a. Senate Budget Subcommittee  |
| 1:35 | b. Finance, including consideration of the<br>state's financial problems.  |
|      | c. Other?  |
| 2:15 | 7. Report on Human Services Task Force Report (Lenander,<br>Ziegelmann) (See Lenander memo handed out on 11/18).   |
| 2:30 | 8. Old business: Civil Service representation on certain<br>Senate and Assembly committees. (See report of chair.) |
| 2:50 | 9. New business.   |



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MINUTES

Approved 12/16/82

SENATE CONSULTATIVE COMMITTEE  
Thursday, December 2, 1982  
626 Campus Club  
1:00 - 2:40 p.m.

Members present: Ron Bonaguidi, Virginia Fredricks, Phyllis Freier, John Howe, Barry Hogen, Anne Hunt, Julie Iverson, Dennis Kronebusch, David Lenander, Rick Linden, Marv Mattson, Doug Pratt, Paul Quie, Burt Sundquist, Pat Swan (Chr.), Donald Spring, John Turner, Kathy Watson.

Guests: Carol Pazandak, Maureen Smith, Don Jacobson.

1. Managing the circulating file. Members may continue to sign for xeroxed copies of materials they'd like to keep. They may also sign to borrow the file copy of materials they don't have time to read at the meeting.
2. Minutes of November 18. SCC minutes were approved as submitted. FCC minutes were approved with one correction (corrected now in the original and in copies to Regents).
3. Report of the chair. Professor Swan. As written. Today's agenda item 8 has been scratched as Mr. Hill does not want to come to SCC just now.

Requests to address the SCC. Professor Turner recommended the SCC call for a written request when a non-member asks to address the SCC so the committee will have facts and evidence on which to base intelligent questions, and so that it is not overwhelmed with listening to complaints. Professor Swan remarked that when a person asks for the opportunity to try to persuade the SCC to rescind an action it has taken, as is the case with Mr. Hill, SCC should probably let him or her come without impediments. There was a brief discussion as to whether writing a letter would prove a barrier.

Professor Spring noted that Mr. Hill's is an exceptional case in that, since he is a civil service employee, his only recourse regarding Senate business is through the committee that took the action. Either a faculty member or a student could take a complaint to the Senate.

Professor Fredricks moved that Professor Swan write Mr. Hill along lines suggested by Professor Turner: that we welcome his appearance since the SCC is his only route for action, and that we request that he put his points in writing to the committee in advance so the members can ask intelligent questions. The motion was seconded and carried without dissent.

SCC members agreed the procedure adopted in this case would constitute a guideline for dealing with future requests to address the committee.

4. Report of the Student Chair. David Lenander.

a. Mr. Lenander distributed the remaining pages of his report on the Report of the Task Force on Human Services. (See 7. below)

b. "The Relatedness of Teaching Quality and Merit Pay at the University of Minnesota." Mr. Lenander distributed to SCC members this report written by Wally Hilke under the auspices of the Student Senate. The study found no correlation between teaching quality as measured by the Student Course Information Project (SCIP) and merit pay increases. Discussion of the topic was assigned to the December 16 agenda.

Mr. Lenander read a copy of a letter from Vice President Wilderson to the Senate Educational Policy Committee requesting SCEP to appoint a subcommittee to advise the Student Counseling Bureau on how to construct a course evaluation system (since the Bureau has accepted responsibility for filling that part of the gap left by the demise of the Measurement Testing Service). The students involved point out that MSA's Educational Affairs Committee already forwarded suggestions for a questionnaire.

The students are also concerned that a \$.24 per quarter fee is being collected on the Twin Cities campus for the continuation of SCIP this year, yet central administration says there can be no more student course evaluation until Spring Quarter. The students are asking to raise the question with Vice President Wilderson or President Magrath at the December 16 meeting.

Professor Swan asked Mr. Lenander to prepare a letter to either the President or Vice President Wilderson before our next meeting notice and agenda go out.

c. Search Committee for Assistant Vice President for Academic Affairs. The recommendations are now being transmitted to Vice President Keller.

d. Student representatives to the Board of Regents should be chosen today.

e. A copy of Anne Hunt's resolution to the MSA Forum on the draft registration/financial aid issue will be in the 12/16 circulating file. Ms. Hunt will also raise the issue with the Senate Committee on Social Concerns of which she is a member. Ms. Hunt noted that MPIRG, with the collaboration of the ACLU, has filed suit for an injunction.

f. Mr. Hogen reported that the University of Minnesota, Morris, was one of two Minnesota colleges (Concordia being the other) listed in Changing Times as among 50 nationally that offer high academic standards and below-average prices. Reprint will be in 12/16 circulating file.

5. Report on committees. Professor Swan told the SCC that over a dozen Senate and Assembly committees had not yet submitted their annual reports for 1981-82. The committee's assistant, Meredith Poppele, reported that her phone conversations with virtually all the chairman involved had brought their assurances that they would get them in soon. Some committees have not reported for several years.

Last year's chair of the Assembly Placement Services Committee saw no real role for the committee; however, this year's chair believes the faculty-placement personnel link is important, finds her student representation good, and thinks that in the tight job market the committee's role will grow in importance.

Last year's Assembly Transportation and Parking Committee chair reported

the committee felt itself circumvented; the 1982-83 chair finds the explanation for that in the very slow turn-around time for projects.

The continuing chairman of the Assembly Honors Program Committee questions whether there is any trans-collegiate role for that body. Professor Swan asked SCC members to keep this question in mind over the next several months and relate it to the second cycle planning themes of the student experience and quality.

Professor Spring noted that since the Assembly constitution was revised in rather short order and largely on a formulaic basis in parallel with the Senate constitution, it may need some adjustments.

He suggested that the regular Fall communications from Marilee Ward, Clerk of the Senate, to all committees, should include the annual reports of the respective committees for the year just ended.

He emphasized that the student experience issue is going to be different for each campus of the University.

Naming faculty to student boards and committees. Professor Swan referred to the paragraph in the report of the chair, and added she hopes for closure on the question in Winter Quarter.

#### 6. Committee reports.

a. Senate Budget Subcommittee. Professor Turner. The subcommittee met preceding the SCC meeting to consider two requests. The Tenure Committee requested \$400 extra to provide a telephone hook-up to its Morris member for the weekly committee meetings on revision of the Tenure Code. The Consultative Committee requested an increase of \$2,000 to cover the pay raise resulting from the secretary's civil service reclassification, higher-than-anticipated xeroxing costs, and one or two committee letters to the faculty. The subcommittee unanimously approved both requests.

b. Senate Finance Committee. Professor Sundquist noted that SFC and SCC would meet with the President at 3:00 this afternoon, the time of the previously scheduled SFC meeting. SFC will continue its agenda if time permits after that larger session.

SFC is discussing three topics with central administration:

(1) The faculty salary plan. SFC supports the administration's proposal on a faculty salary plan; their only concern is that the faculty may lose some of that salary budget adjustment in the current state financial situation.

(2) The fiscal planning model--a device for looking at the University's likely future revenues and costs. Professor Sundquist reported that the model was developed by and is being used by Dave Berg's office (Management Planning and Information Services). Professor Howe asked that it be looked at critically. The Finance Committee, said Professor Sundquist, is counseling the University not to wed itself to any particular set of projections. However, he said he is pleased it has been developed; it is a good analytical instrument. There is something to be learned from intelligent use of the device, he said, and it tracks well on the past.

Professors Spring and Sundquist reported that the model indicates that without changes there will be great difficulty for the University within ten

years. We will have to make cuts in both academic programs and support services even to maintain a steady state, including faculty salaries. SFC is looking at such possible futures, Professor Sundquist said, and we tell central administration we want to do something to try to change the predicted outcomes. The model should not dictate policy.

Professor Swan asked about the model's effect on instructions to the planning units. Professor Sundquist said he believed it would not generate a lot of detail at the collegiate level. Rather, the model seems to suggest we need to get on with the business of setting priorities internally. Professor Swan added we need to develop our own understanding of what goes into the prioritizing.

Professor Sundquist concluded this discussion by pointing out that there is substitutability of resources for some purposes. A high proportion of the legislative appropriation is aimed at the costs of teaching.

(3) Immediate state financial crisis. The administration is asking the state to permit it some flexibility in how the University takes the cuts. SFC believes such flexibility is in the University's interest.

Professor Howe reported briefly on the November 19 central administration meeting (at which he represented the SCC) on the University's response to the governor's request for information on what various degrees of cuts would mean to the University. It was the University's first brainstorming session over the request and explored what the University could squeeze out and what harm would be done. Liquidating the library acquisition fund and short-term borrowing were choices they considered.

Professor Swan explained a consequence of borrowing. Central monies now put out into departments where enrollments swell, to pay for T.A.'s and other needs, would have to be withheld in the future to pay debt service if the University borrowed. Consequently, enrollment ceilings would have to be put on specific courses.

Professor Howe suggested political questions would then affect funding: if students couldn't come to the University, where would they enroll and what would that mean to the legislature as it considered future appropriations?

Professor Howe added there had been no enthusiasm at all in the meeting for tuition surcharges. The University was required, however, to tell the state how much money various sizes of surcharges would raise.

It presently looks as though the University will take a three million dollar base cut between now and June 30, 1983. Professor Sundquist emphasized how difficult it is to achieve that within six months since nearly all funds are allocated. It is preferable for the University to have some flexibility in its response. It should not have to cut off important funds just because they haven't yet been spent. He favors the longer time frame which borrowing would permit, in which to manage the reduction. Professor Howe hopes the University will approach the borrowing option with caution, since it is predicated on an economic upswing within a year. Several options for taking a reduction in salary allocation were mentioned. Professor Freier inquired as to whether or not consideration had been given to the possibility of cutting administrative augmentation stipends.

Student financial welfare and changes in student aid. By its January meeting, SFC will have drafted a preliminary statement.

Cost-based tuition policy. The University is moving rather consistently toward this policy. SFC wants to see "fleshed-out" projections in the fiscal planning model (see 6.a.2 above).

7. Report on the Human Services Task Force Report. Mr. Lenander distributed the final two pages of his assessment of the report and its implications. He told the SCC the task force's report sets forth further questions which need to be studied. He recommends that the Senate Committee on Extension and Community Programs be made aware of this report.

Since many departments may be considerably increasing their proportion of extension instruction we need to find ways to alleviate the tension between Extension and the disciplinary departments. It may be time to review the Outreach Report, he suggested. The new Assistant Vice President for Academic Affairs for undergraduate education and outreach would seem to be in a key position to improve coordination and communication.

The December 16 agenda will include a brief discussion, at which time the SCC will complete its consideration of the Human Services report and settle whether it should forward the report elsewhere. The SCC will ask Vice President Keller to describe the charge he gave to the Task Force.

The meeting adjourned at 2:40 p.m.

Respectfully submitted,

*Meredith Poppele*

Meredith Poppele,  
Executive Assistant



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Report of the Chair for SCC meeting of December 2, 1982

1. Senate business. I want us to spend a few minutes talking about the November 18 Senate meeting and any ideas or suggestions you may have for changes in the way we handle Senate meetings. Further, I would like to have Meredith report on her conversations with committee chairs who have not yet made an annual report for 1981-82. There were over a dozen of these committees in the Senate and Assembly, and a few chairs suggested that their own committee was unnecessary.

2. Assembly Steering Committee business: Student boards. At our last meeting we discussed three, possibly four, student boards to which we appoint faculty representatives. The Board of Publications has in the past reported to ACSA but this relationship is not explicit in the Assembly constitution. The Student Services Fees Committee does not report to the Assembly, nor does the Student Legal Services Board. If these groups reported to the Assembly, likely it would be through the ACSA. Should we choose to add this responsibility to the ACSA charge? We would be materially changing their agenda. Already there are five committees that are supposed to report through the ACSA. We should very carefully consider what relationship if any the boards we have been discussing should have to the Twin Cities Assembly.

3. Civil Service representation on committees--another view. Dennis Hill is a member of the Civil Service who doesn't endorse the Civil Service Committee as a representative of Civil Service employees. He argues that we have given that group, an advisory group to the administration, undue credibility by allowing them to appoint members to the Senate/Assembly committees. He wishes to present an argument against our action and hopes that we will reverse our action.

I have urged him to try to suggest a practical alternative for finding Civil Service representatives to our committees. (Obviously these representatives would have to have some constituency to whom they could report.) He said he will try to do so.

It is virtually impossible for us to determine "Civil Service will" on this matter; thus, we will have to keep all this in mind as we listen to Mr. Hill. I thought I should give him 10 minutes for a presentation and allow 10 minutes for discussion with him.

P. Swan

December 1, 1982

To: Senate Consultative Committee and Assembly Steering Committee  
From: Meredith Poppele  
Re: Annual reports of Senate and Assembly committees

The Assembly and Senate by-laws and rules require an annual report from all committees. At the time of this fall's Assembly/Senate meeting, 11 Assembly committees and 8 Senate committees had not submitted reports for 1981-82. I have talked with almost all of last year's chairmen and they have promised to get their reports in before Fall Quarter ends. The committees will each send one copy of their annual report to the committee through which they report and one copy to Marilee Ward for the docket. I asked those that report directly to the Assembly to send a copy to the Assembly Steering Committee.

Reports are due from the following Senate committees:

Business and Rules  
Educational Development  
Equal Employment Opportunity for Women  
Extension and Community Programs  
International Education  
Human Subjects in Research - Feb. 17  
Tenure Feb. 17  
University College Assembly - Feb. 17

and from these Assembly committees:

Convocation and the Arts 2/17  
Honors Program 2/17  
Housing 2/17  
International Students  
Placement Services  
Recreational Sports 2/17  
Student Affairs  
Student Behavior 2/17  
Transportation and Parking  
University Health Services  
University-ROTC Relationships. 2/17

In the course of these conversations three of last year's chairment expressed doubt about either the need for or the credibility of their committees. Two of those committees have new chairpersons this year who do see their committees as being able to serve a real purpose. Here are the points made by all five:



Honors Program Committee (reports through Assembly Committee on Educational Policy). Professor F. R. P. Akehurst, Chr., 1981-83, told me he intended to put disestablishment of the committee on the agenda of their first meeting this year. Years ago, the committee's initiative helped bring about creation of honors programs where they had not existed; years ago it was also involved in naming Regents scholars. In recent times all the work is carried out administratively. The committee has no business. Each collegiate unit takes responsibility for its own honors program and usually has its own honors committee. (The Assembly committee's responsibility is "to develop and recommend policies... to the extent that such programs are designed for or have implications for more than one collegiate unit." Apparently such designs and implications are not occurring or arising.)

Placement Services Committee (reports through Assembly Steering Committee). Gary McGrath, Chr., 1981-82; Barbara Killen, Chr., 1982-83. (The Rules give the committee responsibilities as

"to recommend general placement policy and to seek ways to improve coordination among the various college and school placement services;

"to review campus services with respect to compliance with state and federal laws regarding placement services.")

McGrath said the committee did not meet last year for lack of business. Placement officers report to their college deans. Collegiate advisory committees normally work out any problems. When a campus recruiting issue arises which confounds the placement offices, they use the Assembly committee as a safety valve.

Killen, however, believes the committee can serve a purpose, particularly because of the greater concern about placement in the current economy. The linkage of faculty with the placement system is important. The committee has good student representation. Their fall meeting indicated a substantial agenda for the year.

Transportation and Parking (reports through Student Affairs Committee). JoAnn Johnson, Chr., 1981-82; Jerry Larson, Chr., 1982-83. Johnson said the committee felt circumvented; they learned from the Daily about decisions such as the West Bank parking ramp. Also, she questioned why a fee-for-service program would report through the Student Affairs Committee.

Larson does not believe the committee is being deliberately bypassed. However, he said, some of the projects are of such long range that the committee may completely turn over between the time of the proposal initiative and its implementation. (He thought the committee might develop a series of annual reports to inform new members.) The committee will ask a representative of the Planning Office what relevant projects are on its agenda. Larson agrees the reporting line is not logical, but concludes it is the best available.

Minutes for the Senate Consultative Committee's Subcommittee on  
Senate Budget

December 2, 1982

Members present: Professors Turner, Swan, and Mattson, Marilee Ward.

1. The Senate Tenure Committee via its chairperson, Professor Bob Morris, has requested an increase in budget from \$100 to \$500 to facilitate a telephone hook-up with a Morris Campus member and to cover some increased copying and clerical costs.

REQUEST WAS APPROVED BY CONSENSUS.

2. The Senate Consultative Committee has requested, via Chairperson Professor Swan's letter, a budgetary increase of \$2000, this amount to meet the following expenses:

- a. A newsletter to the faculty (two issues)
- b. Increased staff assistance costs of \$1245
- c. Increased copying needs.

REQUEST WAS APPROVED BY CONSENSUS.

3. Marilee Ward reported that total resources for the year are \$52,471. Everybody is presently within their budget. There is presently approximately \$12,000 in unallocated resources.

Report submitted by Marv Mattson.

.03

THE RELATEDNESS OF  
TEACHING QUALITY AND MERIT PAY  
AT THE UNIVERSITY OF MINNESOTA

Spring 1982, University of Minnesota Student Senate

#### ABSTRACT

This cursory study seeks to establish positive correlations between teaching performance and merit pay increases as well as significant  $r^2$  statistics for these two variables. The study failed to identify any evidence that teaching performance is positively related to or that it helps to explain variation in merit pay increases granted within the College of Liberal Arts at the University of Minnesota.

## INTRODUCTION

The administration of the University of Minnesota has long averred that faculty members are financially rewarded for good teaching performance. This position implies the existence of a positive, linear relationship between these two variables. In order to test this proposition, the University of Minnesota Student Senate staff has compared teaching performance (as measured by student opinions in the Student Course Information Project Course Guide; August, 1981; Nancy A. Peterson, ed.) to merit pay increases as shown in University budget documents. The following findings suggest that the reward system asserted by the administration does not, in fact, exist. i

## FINDINGS

The scattergrams in appendices I and II demonstrate that there is little positive relationship between merit pay and teaching performance. Merit pay does not increase appreciably as teaching performance improves. In fact, these scattergrams tend to resemble astronomy problems much more than homogeneous data.

The amount of variation in (percentage) merit pay increases explained by teaching performance is 3.0%.  
The amount of variation in (dollar) nominal merit pay

increases explained by teaching performance is 1.2%.  
In other words, if one knows the average pay increase  
for faculty members, one can only explain 3% of the  
variation from this average percentage through knowledge  
of their relative teaching performance.

## PROCEDURES

This study represents the situation of nearly all CLA faculty members included in the 1981-82 Student Course Information Project Course Guide (83 faculty members). Members were excluded from inclusion in this study if (1) they were promoted between 1981 and 1982 - because this made determination of their merit pay increases difficult, (2) they were a new faculty member, or (3) they were rated by less than 10 students in the Course Guide.

The methodology for determining merit pay increases and teaching performance was as follows:

### Merit Pay Increases

Merit pay increases were determined by subtracting 1981 pay levels from 1982 pay levels and detracting two percent of the 1982 pay level (i.e. the cost-of-living increase) from the resulting difference.

$$\begin{array}{r} 1982 \text{ pay} \\ - 1981 \text{ pay} \\ \hline \text{total increase} \end{array}$$

$$\begin{array}{r} \text{total increase} \\ - 1981 \text{ pay } (.02) \\ \hline \text{nominal merit pay increase} \end{array}$$

$$\frac{\text{nominal merit pay increase}}{1981 \text{ pay}} = \text{merit pay increase}$$

### Teacher Performance

Teacher performance was determined by ratings on the teaching evaluation question of the 1981-82 Course Guide. This question asked "All things considered, how would you rate this instructor's teaching in this course?" This question is generally considered to be the most valid of all teacher evaluation questions. Studies have generally shown that questions of this type show most agreement with peer evaluations and other comparative measures.

The rating for each instructor included in this study was determined by calculating the arithmetic mean for his/her performance in all courses included in the Course Guide. One point was given for every "poor" rating, two for every "fair" and so on through "good", "very good", and "excellent". The maximum possible aggregate rating is 5, the lowest possible aggregate rating is 1.

## LIMITATIONS

This study is plagued by limitations (which are listed below). Overall, however, these limitations probably do not account for the lack of correlation between teaching performance and merit pay increases found in this study.

### Limitations

1. All courses were not evaluated for all instructors in this study. This occurred because some instructors did not participate for some of their courses.
2. Not all instructors in CLA were included. This is a salient but perhaps small limitation. Unless there is some evidence of variance between the treatment of individuals included in this study and the overall treatment of CLA faculty members, this study should be presumed to be somewhat representative. While departments within CLA are given considerable discretion in the disbursement of merit pay monies, it is not evident that the procedures followed by the departments participating in the SCIP project are in any way unique.
3. The final sample size for this study is 83 faculty members.
4. The question used for evaluating teaching performance is not a "perfect" measure. Nonetheless, as discussed above, it is the best measure available.



## CONCLUSION

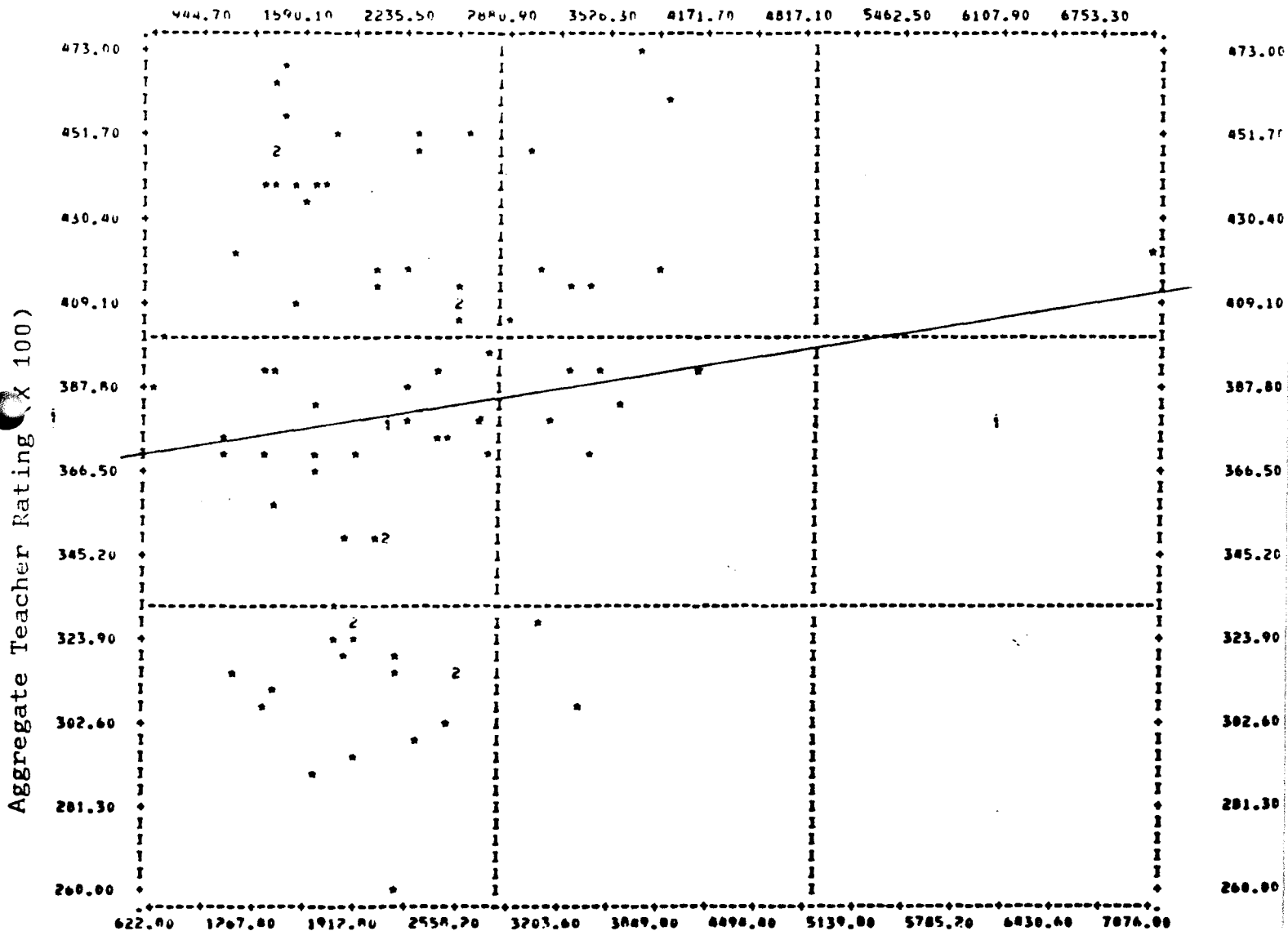
There may be many explanations for the failure of this study to confirm the position of the administration. The most likely and obvious explanation is that the College of Liberal Arts does not significantly reward teachers who are rated highly by students (or does not reward them for that reason).

The ultimate importance of this finding will no doubt be reflected in the character of the University over the next several years. If the University chooses not to reward quality instruction it should not expect to produce it. The pressure of the academic community in a period of declining resources will direct individuals' efforts to areas of likely reward.

APPENDIX I

Scattergram and regression line plotting Nominal Merit Pay  
Increases with Aggregate Teacher Ratings

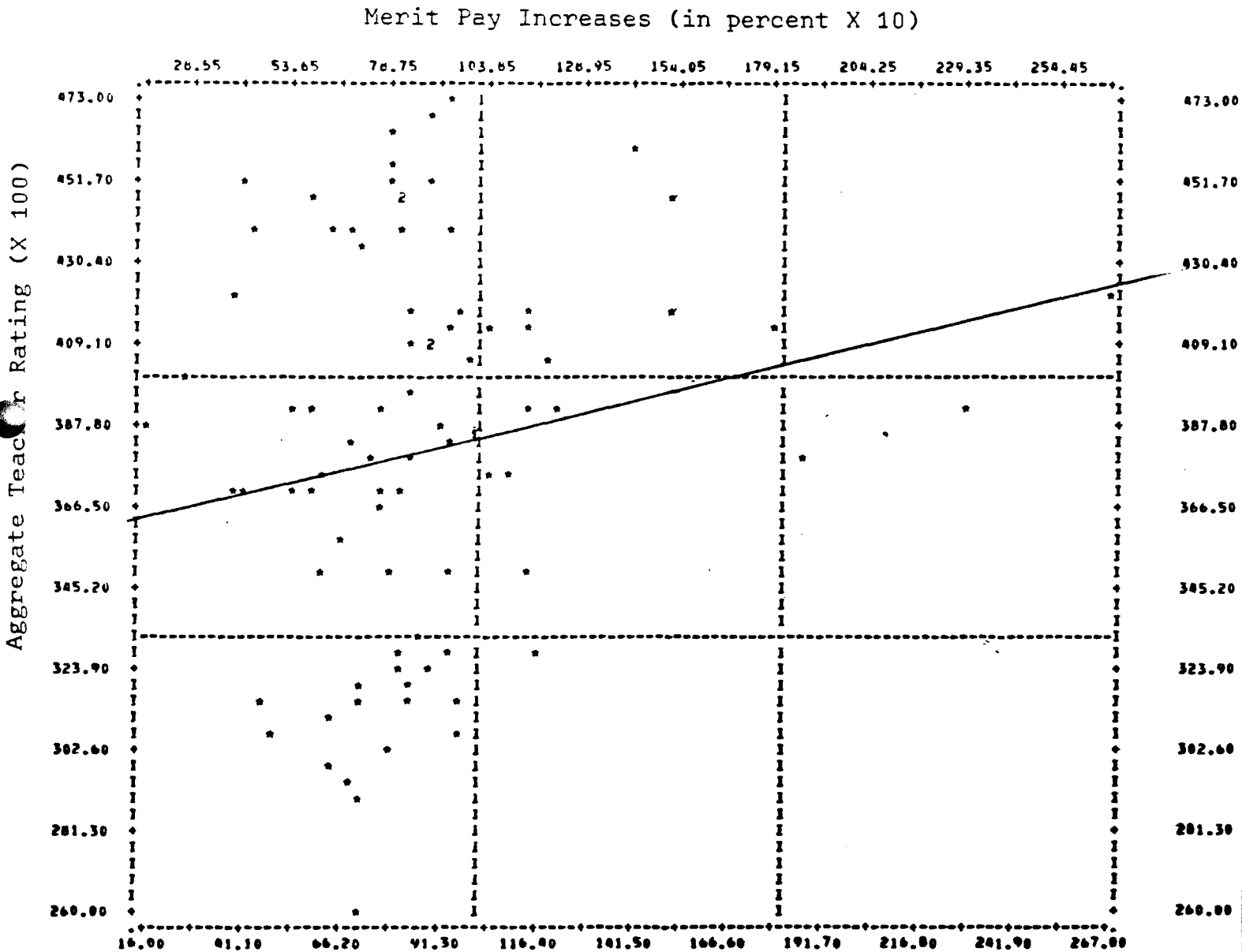
Nominal Merit Pay Increases (in dollars)



Note: The methods used in determining Nominal Merit Pay Increases and Aggregate Teacher Ratings are found in the Procedures section of this report.

APPENDIX II

Scattergram and regression line plotting Merit Pay Increases  
 with Aggregate Teacher Ratings



Note: The methods used in determining Merit Pay Increases and Aggregate Teacher Ratings are found in the Procedures section of this report.



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MEMORANDUM TO FILE

MEETING OF DECEMBER 2, 1982

SPECIAL MEETING TO DISCUSS THE IMPLICATIONS AND OPTIONS FOR THE UNIVERSITY  
IN RESPONDING TO THE LEGISLATIVE CUTS MADE TO MEET THE STATE BUDGET CRISIS

Senate Consultative Committee members present: Virginia Fredricks, Phyllis Freier, Barry Hogen, John Howe, Dennis Kronebusch, Rick Linden, Marvin Mattson, W. D. Spring, W. B. Sundquist, Patricia Swan (Chr.), John Turner.

Senate Finance Committee members present: Andrew Bailey, Robert Beck, Mario Bognanno, Patrick Gaughan, Hugh Kabat, Irwin Rubenstein, Paul Schulte, Tom Scott, Anthony Zahareas.

Others present: President Magrath, Vice Presidents Bohlen, Hasselmo, Kegler, Keller, Vanselow, Wilderson, Ass't. V. P. George Robb, Jim Borgeson, Pam Coyle, Steve Dunham, Randy Mikkelson, Carol Pazandak, Peter Robinson, Bonita Sindelir, Maureen Smith, Phil Tichenor, Bruce Thorpe.

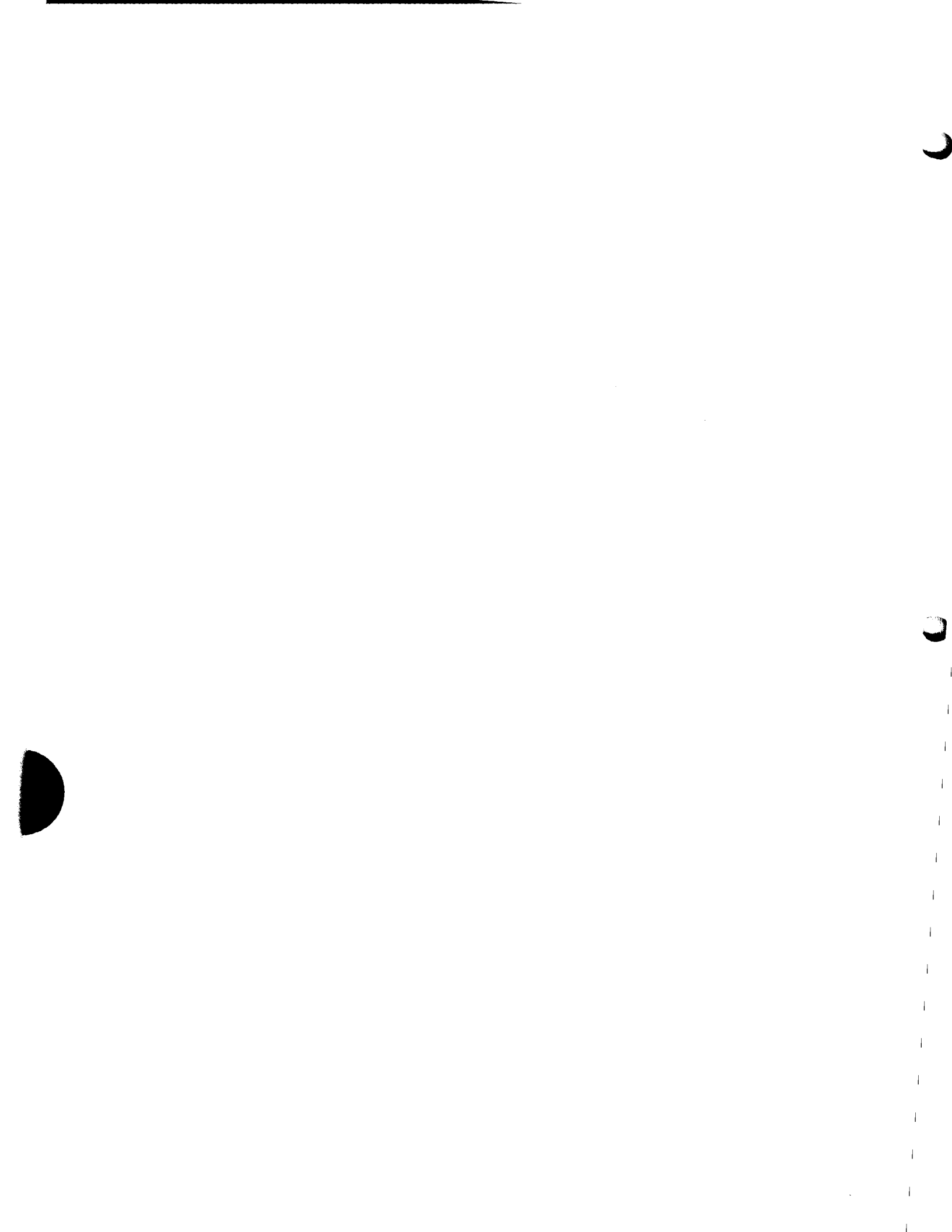
The meeting convened at 3:05 p.m. in the Regents Room of Morrill Hall, on December 2, 1982.

President Magrath told the group we have made it clear to the state that the University has lost considerably in the past two and a half years. We will make the information available to the members of the state committees. We ask this group today for comments and suggestions that will help us shape our responses in the next few days.

Vice President Kegler repeated the basic facts the press has carried: The state is making hard cuts of \$46 million (\$3 million from the University) and soft cuts of \$98 million (\$4.5 million from the University). Cuts to the University budget have received little media attention. The state is making a real attempt to treat "everybody" (meaning all state employees) equally. In addition to its own cuts, the University is focusing on cuts to the Higher Education Coordinating Board's student grant and loan money.

President Magrath stated the options which have been laid out:

- freeze hiring for all state employees
- reduce pay
- retrench salaries to pre-July 1 levels
- give no pay for the remaining holidays
- reopen previously negotiated agreements
- make formula cuts
- reduce state retirement contributions
- impose tuition surcharges.



The President said he could not endorse or support tuition surcharges.

Legal considerations make some of the options questionable (changes in pay rates, contract renegotiations).

Vice President Kegler reported the University has about \$1 million of funds allocated but yet unspent for library acquisitions and equipment. Vice President Keller said the University wants to use the unspent funds for the purpose they were originally intended.

Vice President Kegler added the University is also projecting a deficit by the end of the fiscal year of from \$4 million to \$4.5 million. The President added we hope some of that can be mitigated after future appropriations.

Mr. Thorpe pointed out that the library acquisitions fund was collected through a tuition add-on. If it is not spent for that purpose, he commented, it is again evident who is having to contribute specially. Professor Turner warned that a library never catches up from a temporary loss.

Were the state to eliminate a 4% contribution to civil service retirement funds, that would be the entire state contribution; a comparable reduction for faculty would be equivalent, on the average, to 7.5% of a faculty member's salary. This possibility raises the question of violating a stated or implied contract with the faculty.

Non-state University salaries. 53% of the salary money for faculty and 66% of the salary money for civil service employees is derived from the state. The rest comes from other sources. If we asked staff whose pay is from other-than-state sources to forego their retirement contribution for six months, asked Vice President Kegler, would that money be spent elsewhere on the research project or would it revert to Washington? Assuring equal treatment for employees on state money and those on other money will not be without problems, he implied.

If the University decides to take the soft cut through retirement contributions, it would spread over 12 months the 5% additional faculty contribution needed to compensate for the state's sharp reduction in its contribution.

The University has complete flexibility in taking the hard cuts and probably also in taking the soft cuts. President Magrath said the faculty might have the choice as to whether to lower their take-home pay or maintain it while lowering for six months the retirement contribution.

Professor Turner made these points: The University's autonomy can be threatened both by direct legislation and in a de facto way when the University doesn't resist intrusions. The University, the faculty, and the state have to recognize that cuts lead to diminished quality. The state recovered balance from its last budget deficit at the expense of faculty salaries. The options available this time will hit harder the people closer to retirement.

We must try not to be vulnerable to a self-fulfilling prophesy by saying the University will get nicked so that the legislators see we expect it, he told the group. Maximum flexibility, he concluded, requires consultation with a group such as this one. But for the good of the University we should examine the choices and give our opinions in a closed session, as the legislators have done on this budget problem.

Vice President Keller differed with Professor Turner, saying the administration should make clear what the facts are and share them with the faculty community which is the backbone of the University.

President Magrath told the group the University was presented with the fait accompli that it was going to be cut. He stressed he believes it is not in our best interest to cut civil service or faculty employees. We should avoid injuring individuals and losing valued employees, he said.

Professor Fredricks asked if there is a way to prevent litigation which might result from cuts in compensation. Can we require the legislature to give us money? The President replied that the legislature has great control over the University budget. Mr. Dunham said that to the extent the legislature has already earmarked funds for one purpose, the autonomy question is different; the legislature can unallot.

Professor Zahareas asked if borrowing is an option. President Magrath said that it is; the University might borrow, and then with time work out other options for absorbing the cuts. Professor Fredricks asked how costly it would be for the University to repay a loan. The President said Vice President Bohlen is investigating whether we can borrow from ourselves. We would have to repay the fund from which we borrowed but would avoid paying interest.

Professor Pratt, noting that the part of faculty salary contributed to the pension plan is sheltered from current income tax, asked whether if a faculty member contributed an additional 5% it would also be sheltered? The answer is yet to be found out.

Professor Pratt then asked if there are soft cuts which might be more equitable than the reduction in pension contributions and whether decisions could be made at the unit level. Vice President Keller replied perhaps they could be made at the unit level. Vice President Keller indicated that decisions could be made at the unit level but not between now and then.

... requested all University administrators give up 5% of ... Vice President Keller indicated ... administrators take only 8% ... not so well

Vice President Keller differed with Professor Turner, saying the administration should make clear what the facts are and share them with the faculty community which is the backbone of the University.

President Magrath told the group the University was presented with the fait accompli that it was going to be cut. He stressed he believes it is not in our best interest to cut civil service or faculty employees. We should avoid injuring individuals and losing valued employees, he said.

Professor Fredricks asked if there is a way to prevent litigation which might result from cuts in compensation. Can we require the legislature to give us money? The President replied that the legislature has great control over the University budget. Mr. Dunham said that to the extent the legislature has already earmarked funds for one purpose, the autonomy question is different; the legislature can unallot.

Professor Zahareas asked if borrowing is an option. President Magrath said that it is; the University might borrow, and then with time work out other options for absorbing the cuts. Professor Fredricks asked how costly it would be for the University to repay a loan. The President said Vice President Bohlen is investigating whether we can borrow from ourselves. We would have to repay the fund from which we borrowed but would avoid paying interest.

Professor Pratt, noting that the part of faculty salary contributed to the pension plan is sheltered from current income tax, asked whether if a faculty member contributed an additional 5% it would also be sheltered? The answer is yet to be found out.

Professor Pratt then asked if there are soft cuts which might be more equitable than the reduction in pension contributions and whether decisions could be made at the unit level. Vice President Keller replied perhaps they could be beyond June 30 but not between now and then.

Professor Freier suggested all University administrators give up 5% of their salaries or half of their augmentation. Vice President Keller indicated that would not help measurably since University administrators take only 8% of the state-supported salary payroll. CLA administrators are not so well off, he added.

Professor Rubenstein remarked that we at the University are aware that there is a limit to bearing across-the-board cuts before you hurt what is of high quality. The state, he remarked, doesn't yet seem to realize that.

President Magrath said he is concerned about the trend line for this and other universities. This University has set priorities, he said, but maybe we should do more. The state policy makers have also been overtaken by events, he remarked.

The meeting adjourned at 4:15 p.m.

Meredith Poppele,  
Recorder