

AGENDA

SCC MEETING

Date: November 21, 1978

Time: 2:00-5:00 p.m.

Place: 626 Campus Club

1. Minutes for November 2, 1978
2. Dr. Ronald Jacobson's letter to Professor Zaidi, October 31, 1978, concerning capital improvement.
 - Professor Schletzer's memo to Professor Zaidi, November 7, 1978 concerning the Capital Request letter from Dr. Jacobson.
3. Retrenchment and Reallocation
 - a. Professor Frank Wood's memo of November 10, 1978 to Professor Zaidi.
 - b. Professor Clara Kanun's memo of November 14, 1978 to Vice President Linck and Professors Morrison and Zaidi.
 - c. Professor Donald R. Browne's memo of November 15, 1978, to Professors Zaidi and Morrison.
 - d. Mr. Jim Clark's memo of November 15, 1978, concerning the hearings on the Interim Guidelines.
 - e. AAUP's comments on Reallocation and Retrenchment prepared by Professor Louis Toth, President of AAUP, Twin Cities.
 - f. UMEA points on retrenchment and reallocation prepared by Professor Alfred Aepli, UMEA President, November 19, 1978.
 - g. Professor Larson, Department of Agricultural Engineering, sent a memo to Professor Zaidi, November 20, 1978, concerning Budget Reallocation.
 - h. UCRRBR Report
4. Report of the ad hoc Committee on Grievances, September 28, 1978.
5. Consideration of a motion for an amendment to the Senate Constitution.
 - To amend the Constitution of the University Senate, Article III (Composition), section 4c, to increase student membership.
6. Old Business
7. New Business



UNIVERSITY OF MINNESOTA
TWIN CITIES

All University Senate Consultative Committee
554 Business Administration
271 19th Avenue S.
Minneapolis, MN. 55455
Telephone (612) 373-3226

MINUTES OF THE SENATE CONSULTATIVE COMMITTEE

Meeting of November 21, 1978

APPROVED 1/4/79

The All University Senate Consultative Committee convened its sixth meeting of the 1978-79 academic year on Tuesday, November 21, 1978, in Room 626, Campus Club.

Members present included: Professor George Blake, Mr. Steve Carlson, Professor Wendell Glick, Professor Ken Keller (ex officio), Mr. Richard Kottke, Professor Fred Morrison, Professor Richard Purple, Professor Betty Robinett, Ms. Elizabeth Sands, Professor Vera Schletzer, Professor Don Spring, Mr. Doug Watson, Professor Mahmood Zaidi (Chairperson): Mr. Jim Clark, UCBRR; and three guests: Mr. Dick Cook, Ms. Diane Lowtree, and Ms. Dolly Spence.

The meeting was called to order by Professor Zaidi at 2:00 p.m.

1. Minutes - Professor Zaidi indicated to the Committee that the minutes for November 2, 1978 were not yet ready for Committee's approval.

2. Dr. Ronald Jacobson's letter of October 31, 1978, concerning Capital improvement was discussed briefly. SCC members concluded that Dr. Jacobson's request asking SCC support for a specific capital improvement was outside the Committee's purview. The Chairman had referred Dr. Jacobson's letter to the administration, and the Committee will take no further action since its role is consultative only.

3. Retrenchment and Reallocation - Professor Zaidi asked the members to familiarize themselves with the following material:

1. Professor Frank Wood's memo of November 10, 1978 to Professor Zaidi.
2. Professor Clara Kanun's memo of November 14, 1978 to Vice President Linck and Professors Morrison and Zaidi.
3. Professor Donald R. Browne's memo of November 15, 1978 to Professors Zaidi and Morrison.
4. Mr. Jim Clark's memo of November 15, 1978 concerning the hearings on the Interim Guidelines.
5. AAUP's comments on Reallocation and Retrenchment prepared by Professor Louis Toth, President of AAUP, Twin Cities.

6. UMEA's points on retrenchment and reallocation prepared by Professor Alfred Aepli, UMEA President, November 19, 1978.
7. The memo of Professor Larson, Department of Agricultural Engineering, to Professor Zaidi, November 20, 1978, concerning Budget Reallocation.
8. UCBRR Report.

Professor Morrison opened the discussion with a statement that he thought the UCBRR report epitomized the collegial process and that this is in sharp distinction to the more adversarial format which could occur from collective bargaining. This report was done in the spirit of collegial cooperation.

Professor Robinett indicated that the report's emphasis seemed to be retrenchment and less on reallocation. In response, Professor Morrison stated that the UCBRR report addresses this issue in points 1, 2, 4, and 5 where the focus is on responsibility for central decision-making. The first four points address reallocation and this is, in effect, supportive of the position that retrenchment may not be adequate, therefore, there must be a policy by which to avoid non-formula retrenchment. It is entirely possible that there are areas not retrenchable and for this reason acceptable data bases (formula) are necessary to the decision-making process.

Professor Purple supported this idea but indicated that a base may make a limitation on what is retrenchable, that is, on the surface something may be retrenchable while practically it is not. Moreover, there are some areas where there is greater flexibility because of the grants and funds received by a unit.

Professor Zaidi moved to another point and stated that after the Twin Cities Assembly meeting on November 16, there was considerable discussion by some faculty concerning the use to which the retrenched money would be put. He stated that he detected fear that retrenchment would dominate reallocation and, therefore, the credibility of the program may rest on how the money retrenched is allocated. There is skepticism of the process and concern for its potential for injustice. It will be important to have assurances of openness throughout the process and clear promise of dissemination of reallocation results. To this end, units should be made aware of how the criteria are applied; faculty, staff, and student confidence are as important to the process as the results. In relation to this concern, Professor Robinett indicated that this might best be conveyed in SCC's comments to accompany the UCBRR Report. Because there are a number of ways in which funds could be reallocated, it would be important to allay faculty concerns so as to make clear the process followed in reallocation. In support of Professor Robinett's statement, Professor Spring indicated that faculty would wish to know where the money was applied and that it will be an important part of the reallocation process to stress point 4, Accountability, in the UCBRR Report.

Professor Robinett raised a point which had been brought to her attention -- why do we have to retrench to reallocate? The relation between retrenchment and reallocation process should be clearly defined in order to ensure understanding by the faculty.

Professor Morrison continued to guide the Committee through the document drawing SCC's attention to the various items included in the UCBRR Report. He

made it clear, in response to a question from Professor Purple, that departments will be responsible for suggesting priorities to Colleges and the Colleges would then develop the decision-making package. The Administration will then choose from among these packages -- departments may set initial priorities but the central administration will make the choices. Professor Robinett stressed also that the role of the Vice President for Academic Affairs is an important consideration for retrenchment and reallocation procedures. The Committee arrived at a consensus that emphasis should be placed on the priority of academic planning to the process and that coordination for retrenchment and reallocation be channeled through the office of the Vice President for Academic Affairs.

SCC expressed its gratitude to UCRRBR and moved to the consideration of a draft of the cover letter to accompany the UCRRBR Report which Professor Zaidi asked Professor Glick to prepare. Based on the discussion, the following corrections and additions were made to the draft letter:

- (a) The first two introductory paragraphs were accepted with minor changes.
- (b) Item #1 - "any unit" was changed to "any of the 38 primary budgetary units."
- (c) Item #2 - "deans should be instructed not to lessen" was changed to "deans should be prepared to justify any diminution of..." Mr. Carlson dissented.
- (d) Item #3 - Rewritten. Mr. Carlson dissented.
- (e) Item #4 - Rewritten. Mr. Carlson dissented.
- (f) Item #5 - Delete the last clause in the paragraph after "itself."
- (g) Item #6 - Passed unanimously.
- (h) Item #7 - Deleted. Mr. Carlson dissented.
- (i) Item #8 - A majority voted to delete this section.
- (j) Item #9 - The following addition was made by vote of a majority: "The items in the Biennial Request and in the reallocation process should be evaluated with the same criteria and ordered in the same priority."

In summary, the Chairman was instructed to include the following points in the SCC cover letter to accompany the UCRRBR Report to President Magrath:

1. Somewhat more emphasis upon the tentativeness of the procedure in this initial year. It should be stressed that 1.7 percent is the maximum to be retrenched from any of the 38 primary budgetary units in the 1979-80 year.
2. Since women and minorities are particularly vulnerable in the process of retrenchment, dean should be prepared to justify any diminution of the present percentage of such persons in their units. (See the UCRRBR report item #5 (i).)
3. The term "cost-effectiveness" has caused great concern in the campus community. We urge clarification of this term

along the lines of the UCBRBR document item #7.

4. A brief section devoted entirely to assurances of openness throughout the process, and a clear promise of dissemination of reallocation results would allay faculty fears. Department heads within units should be assured that they will be rendered a detailed report of decisions made within their units. They should be made aware of how the criteria have been applied by the dean of the units, not only to convince them of the fairness of the process, but to educate them in the process itself.
5. A concern has been expressed that some units and departments are already seriously under-funded. In this regard, we urge careful consideration of items #5 and 6 in the UCBRBR Report.
6. The section on "Retrenchment" on p. 26 of the draft should be extensively revised to make clear, among other things, that "convenience" and "cost-effectiveness" in the 1979-80 process are not to operate as independent criteria outside the document's principal criteria. If this is the intent of the document -- that these two considerations are independent, and assume precedence -- then the SCC considers the rationale defective.
7. Items in the Biennial Request and in the reallocation process should be evaluated with the same criteria and ordered in the same priority.

The Chairman called for a vote of appreciation to UCBRBR and Professor Wendell Glick for the material they prepared on behalf of the Committee.

A motion was approved to transmit the SCC letter and the UCBRBR Report to the President with the approval of the Committee. Mr. Carlson dissented.

Mr. Carlson presented the proposed amendment to the Senate Constitution for information. This will be an item on the SCC agenda for the November 30 meeting. Mr. Carlson expressed hope that the SCC will endorse the amendment.

The Chairman asked Professor Blake, Purple, and Robinett to review the Report of the ad hoc Committee on Grievances and to present a statement concerning the Report to the Committee at the November 30 meeting.

The meeting was adjourned at 5:15 p.m.

Respectfully submitted,

Elizabeth Martin, Administrative Fellow



UNIVERSITY OF MINNESOTA

Office of the President
202 Morrill Hall
100 Church Street S.E.
Minneapolis, Minnesota 55455

November 6, 1978

Professor Mahmood Zaidi
Chairman
All-University Senate Consultative Committee
537 Business Administration

Dear Professor Zaidi:

As you and other members of the Senate Consultative Committee will recall, I solicited your Committee's reaction to some possible priority emphases in the 1979-81 Biennial Request last July. You assigned this task to the University Committee on Biennial Request and Budget Review, which made a number of useful observations and suggestions that were reviewed by SCC and then translated to me. These suggestions were clearly useful, affecting my thinking as well as my associates in the Central Administration, and subsequently I passed your comments along to the Regents.

In the discussions that have been held at Regents meetings in the past few months, the Board seems to be divided on the question as to whether or not it should state priorities. Some Regents, however, have asked that the question of priorities and my recommendations as to how they should be handled in our Biennial Request presentations should be discussed again by the Board. This will be done at the November Regents meeting this week. This is all the more timely as the Commissioner of Finance has indicated that we should give some general overview of our priorities.

I have sent the attached letter to the Regents for their review, and I'm sure it will stimulate some discussion at the forthcoming Regents meeting. The priority recommendations and points of view outlined in this letter reflect my own best judgment, although I assure you that my views have been significantly affected by the attitudes and advice given to me by SCC and UCBRBR over the past few months.

Finally, I have also attached for your information, a copy of the Capital Improvements Request priorities that the Board of Regents will review at the November meeting. Again, the reactions of UCBRBR and SCC to the question of facilities' priorities have been helpful, despite the difficulty that you and your associates experienced in citing specific priorities.

Cordially,

C. Peter Magrath
President

CPM:kb

cc: Senate Consultative Committee
University Committee on Biennial Request and Budget Review
University Vice Presidents

Enclosure



UNIVERSITY OF MINNESOTA

Office of the President
202 Morrill Hall
100 Church Street S.E.
Minneapolis, Minnesota 55455

November 3, 1978

TO: The Honorable Erwin L. Goldfine
The Honorable Lauris Krenik
The Honorable Robert Latz
The Honorable David M. Lebedoff
The Honorable L. J. Lee
The Honorable Charles F. McGuiggan
The Honorable Wenda W. Moore
The Honorable Lloyd H. Peterson
The Honorable Mary T. Schertler
The Honorable Neil C. Sherburne
The Honorable Michael Unger
The Honorable David C. Utz, M.D.

Dear Ladies and Gentlemen:

Throughout our consideration of the 1979-81 Biennial Request, considerable attention has been focused upon the subject of priorities. Because later this month we will have a review of the Biennial Request with the Commissioner of Finance, and because a number of you have suggested we should have further discussion of the "priorities question," I am sending this letter of comment with my suggestions for your review at our Committee of the Whole meetings — on either November 9 (if there is time after our work on the Capital Request), or on November 10.

Much of the discussion has highlighted the great difficulties and related frustrations that are inherent in setting priorities in a complex institution such as the University of Minnesota. There are, as you might recall, a number of basic problems in determining priorities, not the least of which are the following:

1. The Biennial Request itself is a result of a continuous review and ranking process. Priority determinations are made at every step in the process, starting at the departmental level and working up through collegiate units, campuses, central administration offices, the vice presidents group, my office, the Board of Regents, the Governor's Office, and the State Legislature. In fact, by the time the Board reviews the proposed request, the genuine low priorities have already been deleted. Thus, having cut out what might be regarded as justifiable requests, it is extremely difficult to look at the surviving proposals and to identify some of them as low priority.
2. There is no single approach to ranking specific items that will satisfy all of the concerned constituents inside or outside the University. Furthermore, there is no thoroughly logical and provable method for determining whether requests of one type are more important or less important than requests of another type.

3. Despite some degree of commonality, specific request items often resist classification, much less comparison. There are, to repeat an often used metaphore, inevitable problems in comparing "apples to oranges."

Even given all of these difficulties and frustrations, those who must make budget decisions have perfectly good reasons to expect that proposals include some indication of relative priority. Last June, to begin the necessary process of identifying priorities, I provided you a list of eight policy issues that related to the question of priorities. In August, I then proposed a list of six possible priority emphases for your consideration and reaction. I also shared with you the comments of the Senate Consultative Committee, which highlighted the virtual impossibility of setting priorities in a neat 1-2-3 pattern for a University and a Biennial Request as complex as ours. I suggested at the August and later meetings that we might think of priorities primarily in terms of the emphasis and time we give in trying to secure a favorable appropriation, and still feel this is a useful general point to keep in mind as we deal with the priorities question.

Subsequent discussion of the priorities issue with both internal and external groups, coupled with the formulation of more detailed plans for the written materials and oral testimony for our budget hearings, has prompted me to develop a priority classification that fits the form in which material and testimony will actually be presented. As long as everyone understands the inherent limitations of the ranking process and the role of personal and collective judgment that cannot be defined, I would offer the following outline for communicating the University's priorities for the 1979-81 request.

Organization of Priorities

The Minnesota Department of Finance requires that we submit our written materials in support of our budget requests according to an "Agency -- Program -- Activity" format. I propose that our priority considerations should follow the Program-by-Program pattern of that format. The Programs are:

- Instruction and Departmental Research
- Separately Budgeted Research
- Public Service
- Academic Support
- Student Services
- Institutional Support
- Plant Operations
- State Special Appropriations
- Systemwide Decision Items

Within each of these Programs, I believe we can make reasonable priority determinations, keeping in mind throughout the process that specific exceptions to a general pattern will be appropriate.

I would not recommend attempting to rank the Programs themselves, because they really are "apples and oranges" and any number of other categories. By not ranking the Programs, we would follow essentially the same approach we use for the Capital Improvements Request, where priorities are grouped by location and type of project.

Priority Classifications

1. I have repeatedly suggested that faculty salary increases should be our number one priority, and I continue to adhere to that recommendation. Because faculty salaries are a systemwide decision item applying to all of the Programs, I am listing this item as a separate priority category in itself.

For the remaining requests, organized by Program, four priority classifications are recommended. These can be described as follows:

2. Mandated This classification would be used for expenditures that are required by laws and regulations, expenditures to implement contracts, and expenditures over which we effectively have no choice. Some, like fuel and utility costs, will have to be paid even if we do not receive the requested increase. Others have limited degrees of choice; we could decide not to request or spend the money, but that decision would have direct, known consequences that we would not like to cause.
3. Quality Related to Increased Workload - A longer label might be "maintain the level of quality and service by matching our resources to increased demands," but it is easier and less cumbersome to say "quality/workload."
4. Maintain current level of quality and service. Obviously, there is not a clear distinction between this classification and "workload." Pressed for very detailed criteria, I know that we would have difficulty justifying each and every classification decision, but the general difference is that these items do not involve significant changes in the typical measures of demand. Rather, they represent at least part of the increased costs of doing business in a relatively stable set of activities.
5. Improve current level of quality and service. This involves a variety of rationales, but the basic common factor is that each represents increased costs of specific improvements or expansions. In most cases, these can be considered as investments that will produce benefits, and wherever possible the University should be prepared to spell out what those benefits will be.

1979-81 Biennial Request Priorities

After excluding the number one priority, faculty salary increases, the Program-by-Program application of the four priority classifications to our Biennial Request produces the following table. (The dollar figures have been rounded, and the per cent figures indicate the proportion of that Program's total requests. Furthermore, there is an inevitable subjectivity in the ways particular items might be classified.)

<u>Program</u>	<u>Mandated</u>	<u>Quality/ Workload</u>	<u>Maintain</u>	<u>Improve</u>	<u>Total</u>
Instruction and Departmental Research	\$ -0-	\$2,200,000 (28%)	\$2,200,000 (28%)	\$3,500,000 (44%)	\$7,900,000
Separately Budgeted Research	No increases requested.				
Public Service	No increases requested.				
Academic Support	-0-	\$ 140,000	-0-	\$1,070,000 (88%)	\$1,210,000
Student Services	\$ 460,000 (19%)	\$ 100,000 (4%)	-0-	\$1,800,000 (76%)	\$2,360,000
Institutional Support	\$2,400,000 (83%)	\$ 360,000 (12%)	-0-	\$ 140,000 (5%)	\$2,900,000
Plant Operations	\$3,600,000 (38%)	\$3,300,000 (35%)	\$2,500,000 (27%)	-0-	\$9,400,000
State Specials	\$2,500,000 (18%)	\$2,500,000 (18%)	\$3,500,000 (26%)	\$5,200,000 (38%)	\$13,700,000
Systemwide Items (Excluding Academic Compensation)	\$5,000,000 (28%)	-0-	\$13,100,000 (72%)	-0-	\$18,100,000
	<u>\$13,960,000</u> (25%)	<u>\$8,600,000</u> (15%)	<u>\$21,300,000</u> (38%)	<u>\$11,710,000</u> (21%)	<u>\$55,570,000</u>

Displayed by priority classification only, the same information would look like this:

1. Academic Compensation	-	\$ 41,900,000	-	43%
2. Mandated Expenditures	-	13,960,000	-	14%
3. Quality/Workload	-	8,600,000	-	9%
4. Maintain Quality	-	21,300,000	-	22%
5. <u>Improve Quality</u>	-	<u>11,710,000</u>	-	<u>12%</u>
Biennial Increase	-	\$ 97,470,000	-	100%

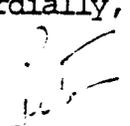
These priority recommendations cover all of the identifiable and quantifiable biennial requests. However, the classification system cannot be applied to another major institutional concern that will be emphasized in our legislative appearances: the question of tuition. Until many of the appropriations decisions have been made, it will not be possible to put dollar figures into our tuition policy discussions, but it is already on record that the Regents of the University and its Administration regard tuition policies and rates as high priorities on the 1979 legislative agenda. At this time, I do not have a logical method for adding the tuition question to the priority list of requests, because there are simply too many variables in the decisions that could be made. However, I do want to stress my concern that the tuition issues be given priority attention, and I assure you that our legislative presentations will reflect our commitment to maintaining as low a tuition rate as possible.

I should note for the record that even though I have included the State Special Appropriations requests in this priority listing, the Specials do not always lend themselves to a listing of University priorities. Specials represent a variety of teaching, research, and service activities, and in many instances they may well be higher priorities to the people, organizations, and agencies involved than they would be if they were ranked strictly within the University's priorities. As such, specials are individually scrutinized by the Executive Branch and the Legislature.

Finally, I should stress my concern that our discussions of specific request priorities not bog down in excessive detail. As the more specific aspects of the Biennial Request are presented and questioned, these general priority classifications will produce questions and, perhaps, debate. Hopefully, out of such questions and debate will rise a better understanding and support of the request. It is also important to note that Regent Moore has appointed a Regents Legislative Coordinating Committee, chaired by Regent Sherburne and consisting of herself and Regent Schertler, to help guide Vice President Kegler and me as we have our discussions with the legislators. We plan to work closely with this committee as the process of reviewing our request unfolds in the Legislature.

I'll conclude by repeating that there will be inevitable problems in whatever classification system is used to set request priorities. As a consequence, there must remain a degree of flexibility both in applying the priority categories and in making exceptions to the priority principles. To the extent possible, I will attempt to keep you informed of those instances where exceptions must be made for the good of the University.

Cordially,



C. Peter Magrath
President

CPM:kb

cc: Mr. Duane Wilson, Secretary to the Board of Regents
University Vice Presidents
Coordinate Campus Provosts

1979 LEGISLATIVE REQUESTS

	<u>Request</u>	<u>Page</u>
<u>TWIN CITIES CAMPUS</u>		
Poultry Research & Teaching Facility	1,700,000	
Vocational-Technical Education Building	7,092,891	
Veterinary Medicine Building	12,500,000	
<u>DULUTH CAMPUS</u>		
School of Business & Economics Building	3,000,360	
<u>CROOKSTON CAMPUS</u>		
Physical Education Building & Outdoor Recreation Complex	3,426,311	
<u>Northwest Experiment Station</u>		
Renovation and Addition to Agricultural Research Center, Planning & Working Drawings (reappropriation of \$35,000 appropriation made in 1978)	35,000	
<u>Lake Itasca Forestry & Biological Station</u>		
Resident Manager's House and Office (Remainder)	16,976	
<u>SYSTEM-WIDE PROJECTS</u>		
Energy Conservation Surveys	500,000	
<u>UTILITIES AND SERVICES</u>		
Heating Plant Conversion, Minneapolis	5,700,000	
 TOTAL REQUEST FOR 1979	 <u>33,971,538</u>	

The following items are being requested in 1980, but the University will be ready to proceed with them if the Legislature will consider them in 1979:

Civil/Mineral Engineering Building	16,541,680
Fraser Hall Remodeling — Working Drawings	160,000
Women's Softball Facility	107,200
School of Public Health, Remodeling of Vacated Clinic Space, Health Sciences	3,000,000
Land Acquisition at Crookston	64,600
 TOTAL	 <u>19,873,480</u>

1980 LEGISLATIVE REQUESTS
TWIN CITIES CAMPUS

<u>A. PRELIMINARY PLANNING</u> -- priority ranked	<u>Request</u>	<u>Page</u>
None	-0-	
<u>B. NEW CONSTRUCTION</u>		
<u>Working Drawings</u> -- priority ranked		
1. Animal Science, Phase II, Planning & Working Drawings	676,576	
1a. Rosemount Dairy & Nutrition Research Building	74,680	
2. Green Hall Addition and Remodeling	177,000	
Subtotal	<u>928,256</u>	
<u>Construction</u> -- priority ranked		
1. Civil/Mineral Engineering Building	16,541,680	
2. Agronomy & Plant Genetics, Plant Pathology, and Soil Science Additions	7,000,000	
3. Archives Building	1,814,400	
4. Addition to Business Administration Tower	4,000,000	
5. Women's Softball Facility	107,200	
6. Shower/Locker Rooms, West Bank & St. Paul Playing Fields	90,000	
Subtotal	<u>29,553,280</u>	
TOTAL -- NEW CONSTRUCTION	<u><u>30,481,536</u></u>	
<u>C. REMODELING & REHABILITATION</u>		
<u>Working Drawings</u> -- priority ranked		
1. Fraser Hall Remodeling	160,000	
2. Zoology Addition & Remodeling	314,986	
Subtotal	<u>474,986</u>	
<u>Construction</u> -- priority ranked		
1. Smith Hall Remodeling	2,000,000	
2. Folwell Hall Remodeling -- Completion	2,000,000	

<u>C. REMODELING & REHABILITATION, cont'd</u>	<u>Request</u>	<u>Page</u>
<u>Construction, cont'd</u>		
3. Eddy Hall Remodeling	1,700,000	
4. Landscape Architecture Remodeling	1,926,000	
5. Pedestrian Bridge Replacement, East Bank	328,740	
6. Field House Floor Installation	504,000	
Subtotal	<u>8,458,740</u>	
TOTAL -- REMODELING & REHABILITATION	<u><u>8,933,726</u></u>	
 <u>D. MISCELLANEOUS -- priority ranked</u>		
1. Land Acquisition, Music Building	n/a	
2. University Area Short Range Transportation Program	1,070,755	
TOTAL -- MISCELLANEOUS	<u><u>1,070,755</u></u>	
 GRAND TOTAL -- TWIN CITIES CAMPUS	<u><u>40,486,017</u></u>	

1980 LEGISLATIVE REQUESTS
HEALTH SCIENCES

<u>ITEM</u> — priority ranked	<u>Request</u>	<u>Page</u>
1. School of Public Health, Remodeling of Vacated Clinic Space	3,000,000	
2. Anesthesiology Remodeling	60,750	
3. Microbiology Remodeling	1,895,651	
 <u>TOTAL</u> — HEALTH SCIENCES	 <u>4,956,401</u>	

1980 LEGISLATIVE REQUESTS
DULUTH CAMPUS

<u>ITEM</u>	<u>Request</u>	<u>Page</u>
Greenhouse	261,296	
TOTAL — DULUTH CAMPUS	<u>261,296</u>	

1980 LEGISLATIVE REQUESTS
MORRIS CAMPUS

<u>ITEM</u> -- priority ranked	<u>Request</u>	<u>Page</u>
1. Behmler Hall Remodeling	297,600	
2. Greenhouse	203,800	
 <u>TOTAL</u> -- MORRIS CAMPUS	 <u>501,400</u>	

1980 LEGISLATIVE REQUESTS
CROOKSTON CAMPUS

<u>ITEM</u> — priority ranked	<u>Request</u>	<u>Page</u>
1. Owen Hall Rehabilitation, Phase I, Working Drawings	40,000	
2. Land Acquisition	64,600	
<u>TOTAL</u> — CROOKSTON CAMPUS	<u>104,600</u>	

1980 LEGISLATIVE REQUEST
WASECA CAMPUS

<u>ITEM</u> - priority ranked	<u>Request</u>	<u>Page</u>
1. Livestock Lab and Holding Facility	668,253	
2. Mechanized Agriculture Facility	700,000	
3. Renovation and Addition to Plant Services Area	178,447	
 TOTAL -- WASECA CAMPUS	 <u>1,546,700</u>	

1980 LEGISLATIVE REQUESTS
AGRICULTURAL EXPERIMENT STATIONS

<u>Northwest Experiment Station, Crookston -- priority ranked</u>	<u>Request</u>	<u>Page</u>
1. Agricultural Research Center Renovation and Addition	312,930	
2. Forage and Feed Handling Facilities	63,115	
Subtotal	<u>376,045</u>	
<u>North Central Experiment Station, Grand Rapids - priority ranked</u>		
1. Land Acquisition (contingent upon negotiations)	n/a	
2. Meeting Room	100,000	
Subtotal	<u>100,000</u>	
<u>West Central Experiment Station, Morris</u>		
Road Surfacing and Drainage	55,216	
Subtotal	<u>55,216</u>	
<u>Southern Experiment Station, Waseca -- priority ranked</u>		
1. Land Acquisition (contingent upon negotiation)	n/a	
2. Dairy Heifer Facility	144,219	
3. Machinery Storage Building	74,995	
Subtotal	<u>219,214</u>	
<u>Southwest Experiment Station, Lamberton</u>		
Field Laboratory	112,989	
Subtotal	<u>112,989</u>	
TOTAL -- AGRICULTURAL EXPERIMENT STATIONS	<u>863,464</u>	

1980 LEGISLATIVE REQUESTS
RESEARCH CENTERS

<u>Cloquet Forestry Center</u>	<u>Request</u>	<u>Page</u>
Research Laboratory & Classroom Building Addition	511,000	
Subtotal	<u>511,000</u>	
<u>Horticultural Research Center, Excelsior</u>		
Refurbish Greenhouse	26,106	
Subtotal	<u>26,106</u>	
TOTAL -- RESEARCH CENTERS	<u>537,106</u>	

Research & Experiment Stations Items -- priority ranked

1. Agricultural Research Center Renovation and Addition,
Northwest Experiment Station
2. Dairy Heifer Facility, Southern Experiment Station
3. Machinery Storage Building, Southern Experiment Station
4. Field Laboratory, Southwest Experiment Station
5. Forage and Feed Handling Facilities, Northwest
Experiment Station
6. Research Laboratory & Classroom Building Addition,
Cloquet Forestry Center
7. Meeting Room, North Central Experiment Station
8. Road Surfacing and Drainage, West Central Experiment
Station
9. Refurbish Greenhouse, Horticultural Research Center

1980 LEGISLATIVE REQUESTS
SYSTEM-WIDE

<u>ITEM</u> — priority ranked	<u>Request</u>	<u>Page</u>
1. Upgrade for Physically Handicapped	3,000,000	
2. OSHA Projects	1,000,000	
3. Energy Conservation and Conversion Projects	2,059,000	
4. Diseased Tree Removal and Replacement	500,000	
5. Animal Waste Recovery Unit, St. Paul	263,690	
6. Chemical Storage Facility, Northwest Experiment Station, Crookston	16,800	
 TOTAL — SYSTEM-WIDE	 <u>6,839,490</u>	

1980 LEGISLATIVE REQUESTS
UTILITIES AND SERVICES

<u>TWIN CITIES CAMPUS</u> -- priority ranked	<u>Request</u>	<u>Page</u>
1. Heating Plant Conversion, Minneapolis	4,069,190	
2. Heating Plant Boiler Replacement, Planning, St. Paul	200,000	
3. Primary Electric, Minneapolis	722,287	
4. Primary Electric, St. Paul	753,748	
5. Water Distribution, East Bank	345,600	
6. Water Distribution, St. Paul	269,120	
7. Sewer Separation, East Bank	100,050	
8. Steam Tunnel, St. Paul	120,000	
9. Low Pressure Steam Line, St. Paul	200,000	
Subtotal	<u>6,779,995</u>	
 <u>DULUTH CAMPUS</u> -- priority ranked		
1. Campus Utilities	468,260	
2. Water Distribution, Phase III	241,000	
Subtotal	<u>709,260</u>	
 <u>CROOKSTON CAMPUS</u> -- priority ranked		
1. Heating Plant Improvements	2,114,200	
2. Primary Electric Rehabilitation	148,700	
Subtotal	<u>2,262,900</u>	
 <u>WASECA CAMPUS</u>		
Primary Electric Rehabilitation & Utilities	210,000	
Subtotal	<u>210,000</u>	
 <u>North Central Experiment Station, Grand Rapids</u>		
Fire Protection System	207,600	
Subtotal	<u>207,600</u>	

<u>UTILITIES AND SERVICES, cont'd</u>	<u>Request</u>	<u>Page</u>
<u>West Central Experiment Station, Morris</u>		
Fire Protection System	125,000	
Subtotal	<u>125,000</u>	
 <u>Southern Experiment Station, Waseca -- priority ranked</u>		
1. Fire Protection System	66,567	
2. Waseca City Sewer Relief	97,505	
Subtotal	<u>164,072</u>	
 <u>Horticultural Research Center, Excelsior</u>		
Sanitary Sewer	55,068	
Subtotal	<u>55,068</u>	
 <u>Landscape Arboretum, Chaska</u>		
Water Connection	119,300	
Subtotal	<u>119,300</u>	
 TOTAL -- UTILITIES AND SERVICES	<u>10,633,195</u>	
 GRAND TOTAL -- 1980 REQUEST	<u>66,729,669</u>	
 GRAND TOTAL -- 1979-1980 CAPITAL REQUEST	<u>100,701,207</u>	



UNIVERSITY OF MINNESOTA

All University Senate Consultative Committee
554 Business Administration
271 19th Avenue S.
Minneapolis, Mn. 55455

November 30, 1978

President C. Peter Magrath
202 Morrill Hall
East Bank Campus

Dear President Magrath:

At its meeting on November 30, 1978, SCC discussed the Interim Guidelines and Decision-Making Criteria for the 1979-80 Annual Budget again and asked me to inform you that an additional point needed to be added as point 8 to the items outlined in my letter of November 22, 1978.

Administration of the interim retrenchment and reallocation procedures is our final concern. In order to place emphasis on the priority of academic planning, we recommend that the recommendations on retrenchment and reallocation be coordinated and channeled through the Office of the Vice President for Academic Affairs.

Cordially yours,

Mahmood A. Zaidi, Chairperson
Senate Consultative Committee

MAZ:nw

cc: Vice President Henry Koffler
Vice President Donald P. Brown
Members, SCC



UNIVERSITY OF MINNESOTA

Office of the President
202 Morrill Hall
100 Church Street S.E.
Minneapolis, Minnesota 55455

November 28, 1978

Professor Mahmood A. Zaidi, Chairman
All-University Senate Consultative Committee
537 Business Administration Building
West Bank Campus

Dear Professor Zaidi:

Thank you for your November 22 letter and the attached comments by the University Committee on Biennial Request and Budget Review addressing the Proposed Guidelines and Criteria for the 1979-80 Budget.

Both the cover letter you have sent on behalf of the Senate Consultative Committee and the attached UCRRBR comments are constructive and most helpful. Without my now commenting on the various points in your letter and the attachment in detail, they will be taken carefully into account in the revised draft we are now preparing.

I thank both SCC and UCRRBR for the thoughtful collaborative work they have been doing on this important matter.

Cordially,

C. Peter Magrath
President

CPM:nw

cc: Vice President Henry Koffler, Academic Affairs
Associate Vice President A. J. Linck, Academic Affairs
Vice President Donald P. Brown, Finance
Members, All-University Senate Consultative Committee

UNIVERSITY OF MINNESOTA
TWIN CITIES

All University Centers Coordinative Committee
554 Business Administration
271 19th Avenue S.
Minneapolis, Mn. 55455
Telephone (612) 373-3226

November 22, 1978

President C. Peter Magrath
202 Morrill Hall
East Bank Campus

Dear President Magrath:

The SCC met on Tuesday, November 21, 1978 to discuss the document, Interim Guidelines and Decision Making Criteria for the 1979-80 Annual Budget. In addition to this document, the Committee considered the oral and written presentations made at the Open Hearings as well as the recommendations of the University Committee on Biennial Request and Budget Review. The Committee has instructed me to transmit the enclosed UCBRBR Report along with some comments. It is our view that by and large there is general acquiescence among faculty, staff, and students to the inevitability of internal reallocation of funds if the flexibility and vitality of the institution is to be maintained. No Senate committee or constituent groups have taken a contrary view, to our knowledge, even while expressing pain at the prospect. Scattered individuals, it is true, have expressed doubts.

Skepticism of the process and concern for its potential for injustice are predictably widespread. Since the importance of faculty, staff, and student confidence is of hardly less moment than the results of the process itself, the SCC wishes to emphasize as particularly important the following:

1. Somewhat more emphasis upon the tentativeness of the procedure in this initial year. It should be stressed that 1.7 percent is the maximum to be retrenched from any of the 38 primary budgetary units in the 1979-80 year.
2. Since women and minorities are particularly vulnerable in the process of retrenchment, deans should be prepared to justify any diminution of the present percentage of such persons in their units. (See the UCBRBR report item #5 (i).)
3. The term "cost-effectiveness" has caused great concern in the campus community. We urge clarification of this term along the lines of the UCBRBR document item #7.
4. A brief section devoted entirely to assurances of openness throughout the process, and a clear promise of dissemination of reallocation results would allay faculty fears. Department heads within units should be assured that they will be rendered a detailed report of decisions made within their

November 22, 1978

Page Two

units. They should be made aware of how the criteria have been applied by the dean of the units, not only to convince them of the fairness of the process, but to educate them in the process itself.

5. A concern has been expressed that some units and departments are already seriously under-funded. In this regard, we urge careful consideration of items #5 and 6 in the UGBRBR report.
6. The section on "Retrenchment" on p. 26 of the draft should be extensively revised to make clear, among other things, that "convenience" and "cost-effectiveness" in the 1979-80 process are not to operate as independent criteria outside the document's principal criteria. If this is the intent of the document--that these two considerations are independent, and assume precedence--then the SCC considers the rationale defective.
7. Items in the Biennial Request and in the reallocation process should be evaluated with the same criteria and ordered in the same priority.

The SCC appreciates your willingness to entertain its views.

Cordially yours,

Mahmood A. Zaidi
Chairperson

Enclosure

cc: Vice President Koffler
Vice President Browne
Members, SCC



5c
UNIVERSITY OF MINNESOTA
TWIN CITIES

Law School
285 Law Building
229 19th Avenue South
Minneapolis, Minnesota 55455
(612) 373-2717

November 21, 1978

Senate Consultative Committee
537 Business Administration
CAMPUS

Dear Colleagues:

The University Committee on the Biennial Request and Budget Review has reviewed the President's proposed "Guidelines and Criteria for the 1979-80 Budget." Our comments follow. We should note that three of our members, Jim Clark, Ken Keller, and Fred Morrison, participated in a working group chaired by Associate Vice President Al Linck, which made recommendations to the President which were substantially adopted in the draft submitted for review. We believe that we are, nevertheless, able to make suggestions to the Consultative Committee about the proposal. Our comments are based upon our own review, coupled with the comments which we received at the public hearing on November 15, at the informal session on November 16, and elsewhere. We believe that our comments reflect the views of a large segment of the faculty. These views should find explicit expression in the Interim Guidelines and Criteria.

We recognize that the proposed criteria and guidelines are an "excursion ticket," good for one trip only. The nature of the process is dictated by the available time span. Some of the comments which we make are directed not so much to this year's guidelines as to the guidance of those who are preparing a more permanent structure and guidelines for the future. Nevertheless, we believe that it is appropriate to make them in this context, and, to the extent feasible, they should be taken into account immediately. Other comments relate directly to this year's process.

We want to reinforce the view that budgeting should be made in the perspective of longer-range planning and re-emphasize the

need for academic planning at all levels. Budget allocations made with only a single-year perspective may be counterproductive.

1. Ambiguity of criteria. We understand that there is a widespread skepticism about the effectiveness of the criteria articulated to resolve competing priorities fully. Given the multiplex nature of the university, we recognize that they must have a certain flexibility. That flexibility has bred both a hope, which may be unfounded, that a wide range of projects may be of high priority, and a cynicism, that we hope is unfounded, that almost any predelection of the ultimate decision-makers could be justified under them. We understand that attempts to formulate more specific criteria thus far have been unsuccessful. We believe, however, that they should continue. We recognize that there are pitfalls in rigid rank-ordering of the various criteria which are suggested.

Our immediate suggestion is that presumptions be articulated which would create a relative, but not absolute, degree of priority and place a burden on the decision-makers to rebut them openly in a final decision. We recommend certain presumptions in section 3 of this report. By "presumptions" we mean statements which would have two operational consequences. Firstly, other things being equal, an allocation favored by the presumption would be preferred over one not so favored. Secondly, if an allocation not favored by the presumption were chosen, there would be a responsibility to state publicly the reasons why the selected allocation better met the criteria than lower-ranked requests.

If the flexibility generated by relatively vague criteria produces disadvantageous results, in the future we may have to face the formidable task of generating more specific criteria. In any case, this committee plans to review the decisions made by the President to determine whether the existing criteria have provided sufficient directions for decisions.

2. Responsibility for decisions. A related general concern has involved the responsibility for ultimate decision-making. Particularly given the nature of the criteria, there will be a large realm within which the exercise of sound academic judgment by the ultimate decision-makers will be called for. The document makes clear that those decisions are the President's, and that he bears primary responsibility for them. The criteria will provide some basis for analysis, but will hardly ever dictate the outcome.

Because of the need for academically oriented judgments in this field, relating both to the requests of academic programs and to those of units supporting academic programs, we believe that the Academic Affairs Office should be given the chief responsibility to conduct a detailed review of the allocation requests. We recognize the need for and value of staff analysis, and also recognize the worth of inputs from other functional areas of the administration, but Academic Affairs should take precedence in the evaluation of the budget submissions of all units and in the defense of the resulting allocations.

While at first blush it might appear logical to assign primary review of some requests to other vice presidents, our concern here is with the quality of the academic enterprise and the need to have all requests reviewed in terms of their ultimate effect on the academic program. This review, in our opinion, is best coordinated and conducted by the vice president for academic affairs.

3. Presumptions. As suggested above, we set out three presumptions which we believe should be honored in making re-trenchment and reallocation decisions. We state them as presumptions not as priorities or criteria. As stated above, their observance, or the clear explanation of reasons for deviating from them, could do much to alleviate concerns arising from the ambiguity of the criteria themselves. They are:

(i) Academic objects of expenditure should be preferred over other objects. We do not mean that academic objects of expenditure should have absolute priority, but merely to say that they should come first, other things being equal, and, if not, that there should be a clear statement of how the academic mission of the University is better advantaged in those cases in which the other choice is made. We do not believe that such a requests for detailed explanation is "simplistic"; indeed, we believe that it is critical to the acceptability of the budgeting process.

(ii) The development and utilization of human resources should be preferred over other objects of expenditure. Such a presumption would reflect our society's insistence on the preservation of

human capital, by providing opportunities for those with substantial investment of social resources as well as the personal investments of the individuals' time and effort in higher education. In this context, we also mention that such a presumption might help preserve the gains in affirmative action which we discuss below.

(iii) Direct operating expenses should be preferred over items in the nature of overhead. Given the expected contraction in enrollments, the overhead developed for a higher level of operations is likely to be excessive. We recognize however, that an adjustment of overhead cannot be accomplished in one budget period. Again, we re-emphasize the nature of our statement as a preference, not an absolute priority. Some overhead items are essential, but their preference must be explained. In the context of budgeting we would note that an enhanced academic planning capability should rank high, even though it is of an overhead item, rather than an operating one.

(iv) The Principle of Comparative Advantage should be followed. In allocating among units funds for programs or functions, the units with a "comparative advantage" in virtue of specialization, experience, efficiency, or quality should be preferred.

4. Accountability. Another issue which has arisen is that of accountability. One of the negative aspects of the 1972 Retrenchment and Reallocation process was the failure to articulate reasoned decisions for requests which were rejected or ranked so low that they were not funded. To alleviate this concern, we suggest that all reallocation requests be a matter of public record, and that the basis for making positive funding decisions (or for affirmative ranking of the highest \$3 million in requests) also be published to the University community. The basis for funding should be stated in terms of the criteria and presumptions articulated, and should include a statement of the impact of the decisions on the academic community. The items which units have retrenched should also be identified publicly. In addition, a private statement of reasons should be given each unit whose proposal was not funded, explaining the respects in which its request failed to rise to funding level.

Public articulation of the affirmative decisions and of the basis for them would aid in accountability, as well.

We do not see the brief review process which is provided in March as placing the approval of this committee of the Senate Consultative Committee on the President's decisions. Given the nature of the process, these committees can, at most, attempt to see that there are no major deviations from the proposed use of the criteria. While our comments may assist the President in his final decisions, we cannot assume the responsibility which must rest with him alone, given this decision structure.

5. Retrenchment within collegiate units. The interim document does not attempt to prescribe the manner in which colleges and other primary budgeting units will retrench internally. Indeed, it appears to advise colleges against imitation of its own across-the-board approach. There will, however, be an inevitable tendency to replicate the University procedure at the college level.

We do not believe that responsibility for decisions at the collegiate level and below can be avoided merely by characterizing them as dean's problems which may be dealt with differently within different colleges. While we do not want to see a University-wide straight-jacket imposed, some university-wide thought and planning on this issue is essential.

Within the colleges, decision-making on both retrenchment and reallocation should involve the normal governance procedures and bodies, including both faculty and student participation.

The following statements represent our attempt to codify our earlier, unwritten assumptions about the process at the college level, upon which the fairness of the outcome is partially dependent.

We believe that there should be a presumption that retrenchment within collegiate units not be across-the-board or by formula. The colleges are ordinarily in a better position to evaluate the relative needs of departments than more remote levels of administration. If the retrenchment is however, across-the-board, or nearly so, within a given collegiate unit, the dean should have a special responsibility to demonstrate publicly that the college has taken

into account the criteria and presumptions contained in the guidelines statement, as well as the special considerations which we mention below. The responsibility would be comparable to that of central administrators in defending reallocation decisions which run contrary to presumption.

We also believe that there are additional special considerations which should be taken into account by deans in making the proposals for retrenchment and by central administrators in judging their adequacy and their claim for restoration. They are:

(i) Retrenchment should not have the effect of reducing the recent gains in affirmative action for protected classes. Many of the faculty members recruited from these classes are in non-regular positions. These positions should not be surrendered, if alternative retrenchment sources are available. We view this statement as a corollary of presumption (ii), articulated under heading 3, above.

(ii) Special consideration should be given to the history of retrenchments and of the budgets of individual academic units. Some units have been hit more severely than others in the process over the past few years. We do not suggest any particular base date as appropriate, but we believe that the historical development of the budget is a necessary guide to the deans.

(iii) Deans should identify the proportion of the departmental budget which is eligible for retrenchment in each case. Since tenure and tenure-track positions are not subject to retrenchment, it is important to give consideration to the base from which the cost-savings must come in determining the size of the cut which must be realized.

(iv) The inter-college as well as inter-departmental impacts of retrenchment decisions must be identified. Retrenchments which simply eliminate

service courses which have traditionally been provided for other units should be seen as unacceptable, without consultation with the units for which service is provided.

We also do not believe that the restoration of retrenched items has any less presumptive merit than other claims, and thus should not be subjected to any extraordinary scrutiny as is proposed in the draft interim guidelines.

6. Impact on departments. Occupied line-item regular (tenure or tenure-track) faculty positions are exempted from retrenchment, but not from the retrenchment base. This means that a 1.7% retrenchment from base will often be a much larger retrenchment of retrenchable funds. This comes on top of formula retrenchments of previous years that have severely affected the same funds.

In particular, we are concerned about the impact of cut-backs on the support services necessary for quality operation: supply and expense budgets, unassigned instruction, and (to a lesser extent, since this item has not previously been severely hit) civil service. If retrenchments for reallocation are to continue on a repeated basis, repeated efforts to tap these sources will be counterproductive, and for some departments, disastrous. In this regard, we have two suggestions.

For this year's budget, we believe that an effort to show the cumulative effect of the formula retrenchments of the past few years, together with this year's contribution, would be instructive. (We have suggested this under heading 5(ii) above). It could be used in making judgments about claims for reallocation in this cycle of the process. It might also be used as part of the process of devising a non-formula retrenchment for upcoming years.

For future years, we believe that the whole approach of formula retrenchment needs reanalysis. It has a superficial plausibility, in that it permits the administration to make only one, rather than two, decisions with respect to each unit. To ask units, however, to retrench when it is not feasible, or to retrench even when there is a plan to augment resources, detracts from that plausibility.

We further wish to emphasize the impact of the plan on morale within departments, because of the open identification of individuals or programs as candidates for retrenchment.

7. Status of "cost-effectiveness." Some concern has been expressed about the status and definition of "cost-effectiveness" within the interim guidelines. We understand cost-effectiveness to be a management principle, not a criterion for decision-making comparable to the four primarily articulated in the document. For the purposes of this interim period, we understand cost-effectiveness to have simple interpretation: Cost-effectiveness is increased when cost savings are made without harming program quality.

For the interim period, cost-effectiveness should not include a concept of comparative cost-effectiveness, i.e., a strict comparison of costs with those at other institutions. We have not seen an adequate data base for making such comparisons.

8. Funding of University-wide items. We believe that a mechanism should be provided to insert into the process items which have been requested in the Biennial Request on a broader basis, such as the inflationary increase in the library book purchase budget or in the Supply and Expense budgets. If not specifically funded by the legislature, certain non-departmental requests might rank higher than parts of some decision packages which are submitted by budget units.

9. Timing. Despite the recognized administrative difficulties, we also question the advisability of a time-table that provides for deciding retrenchments and reallocations coterminously with the Biennial Request process at the Legislature. Perhaps such decisions should be made after the conclusion of the Legislative appropriation process.

10. Exclusions. We note that some items such as heat and light, have been excluded from retrenchment base, while other non-retrenchable items, such as tenured faculty positions, are

included in the base. We do not fully understand the basis for this distinction and urge its reconsideration.

11. Looking further ahead. The plight of departments in this cycle appears to dictate that we cannot simply repeat this process in another year. If retrenchment is to continue on a recurring basis, it must contemplate programmatic changes, including the abandonment of fields or areas of study within departments or programs, or the wholesale abandonment of low-priority degree programs or departments within budgeting units. We do not endorse such action nor do we accept it as inevitable. If it does come, however, we must have in place processes which will allow us to govern it, lest it governs us.

This means that we must develop a process for discontinuing academic programs for reasons of scarcity of resources, rather than for reasons of academic performance or quality. This will involve an adequate academic planning process. It will involve the substantial improvement of the data base which is available, including the relationship of resources to mission for the various units. While we encourage movement toward decentralization of decision-making, we recognize that not all of these decisions can be reached at the collegiate unit level. Some will have to be decided at All-University level and will call for a considerable degree of leadership and advance planning.

. This point is directed toward future budgets, not toward the one now in preparation. We must face this question in ample time to have adequate decision before the next budget cycle begins. Decisions of this order require substantial lead time to be made, and even longer lead time to be made effective. They will almost never be feasible within the context of a single budget year.

In raising this issue, we want to re-emphasize our concern for the preservation of academic tenure. No foreseeable circumstances would make it appropriate or acceptable to terminate tenured faculty positions. Programmatic change would require substantial transitional periods. That is all the more reason for thinking about the necessary processes sooner, rather than later.

Senate Consultative Committee

November 21, 1978

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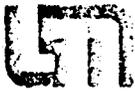
We conclude our report by re-emphasizing a point we made initially. The interim document is intended for one-year only, 1979-80. It will not be a long-range solution to our problems in the 1980's. Provided that the principles articulated here are incorporated in the final guidelines, we believe that they may serve us adequately for the coming year.

Sincerely yours,

Fred L. Morrison

UNIVERSITY COMMITTEE ON THE
BIENNIAL REQUEST AND BUDGET REVIEW

Fred L. Morrison
Chairman



UNIVERSITY OF MINNESOTA
TWIN CITIES

Department of Agricultural Engineering
St. Paul, Minnesota 55108

November 20, 1978

TO: Fred L. Morrison, Chairman
University Budget Review Committee

FROM: Curtis L. Larson, Professor
Department of Agricultural Engineering

SUBJECT: Budget Reallocation

In our department, we have a mix of single section classes (mainly upper division and graduate level) and classes with multiple laboratory sections. It has been our practice to give teaching assistants responsibility for most of the labs. This has worked well and, is, I believe, quite cost effective.

Since 1973, however, we have been hard pressed to provide funds for teaching assistants for these classes. If further cuts in funds for teaching support are made, some of our tenured faculty will have to teach multiple labs, which obviously is not cost effective. No doubt there are other departments facing this same prospect. I'm aware also of the many classes with multiple lecture sections, which I am viewing as a separate question.

My purpose in writing is to urge your committee to address this particular problem in your recommendations to President McGrath. My recommendation is that classes with multiple laboratory sections be given top priority in allocation of teaching support funds.

Best wishes to you and your committee as you labor over this very difficult question.

CLL:tc

cc: James F. Tammen
Walter H. Johnson
Arnold M. Flikke



UNIVERSITY OF MINNESOTA
TWIN CITIES

Department of Speech-Communication
317 Folwell Hall
9 Pleasant Street S.E.
Minneapolis, Minnesota 55455

November 15, 1978

Professor Mahmood Zaidi
Chairman, Senate Consultative Committee
537 Business Administration Building
West Bank

Professor Fred R. Morrison
Chairman, University Committee on Biennial
Request and Budget Review
285 New Law Building
West Bank

Dear Fred and Mahmood:

The Senate Committee on Educational Policy met today to consider, among other things, President Magrath's document of October 25, 1978 concerning retrenchment and reallocation. We wish to bring the following points to your attention, in the hope that they will be useful to you as your respective committees deliberate this matter in the future.

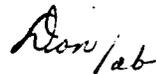
- 1) There seems to be very little opportunity or encouragement for units to indicate just how they have been affected by past retrenchments. The section on restoration might provide such a forum, but it seems in the present wording to be concerned with weak units. We can envisage situations in which strong units may have been retrenched in the past, and may wish to make bids for restoration of some or all of what has been cut previously. We feel that they should be specifically encouraged to do so.
- 2) There seems to be considerable scepticism on the part of faculty and administrators as to the fairness of the process of reallocation. Memories of the reallocation process in 1971 are still vivid, and not very positive. The process itself, and in particular the steps and individuals or offices involved in the decisions as to where to reallocate and on what specific programmatic grounds, were not made clear at that time. We strongly urge that those steps and individuals be clearly identified this time, and that the administration pledge itself to letting faculty know 'who got what' when reallocation has been completed, so that faculty can discern which criteria seem to be paramount.
- 3) We wonder whether some means can be found to enable those making retrenchment and reallocation decisions to discern the relative "wealth" of departments -- whether some departments are able to commit substantial budgetary resources to various kinds of support for faculty members while other departments, due to their relatively tight budgets, cannot even begin to consider such forms of support. We realize that some "luxuries"

Professor Mahmood Zaidi
Professor Fred R. Morrison
Page Two
November 15, 1979

are actually the result of departmental decisions to "do without" in some other area of activity, but would presume that this could be easily enough documented.

We hope that you will find these points useful as your committees proceed with discussion of retrenchment and reallocation.

Cordially,



Donald R. Browne
Professor and Chairman,
Senate Committee on Educational Policy

DRB:hd

cc: President C. Peter Magrath
Vice President Henry Koffler
All members of SCEP

Dictated but not read.



UNIVERSITY OF MINNESOTA
TWIN CITIES

College of Education

Special Education Programs
Department of Psychoeducational Studies
Pattee Hall
150 Pillsbury Drive S.E.
Minneapolis, Minnesota 55455
(612) 373-3291

November 10, 1978

MEMORANDUM

To: Mahmood A. Zaidi, Chairperson, Senate Consultative Committee

From: Frank H. Wood, Chairperson, Senate Committee on Social Concerns
THW

At the October 30 meeting of the Committee on Social Concerns, the issue of whether attention is being given to the status of women and minorities in the current discussions of retrenchment and reallocation was brought up. While we took no formal action at that time, I and several others are very concerned that the special cases of women and minority group members of the University faculty and staff be thoroughly discussed during the process of making recommendations. Because many of them are relatively "junior" in their tenure, I am concerned that guidelines not be adopted that will jeopardize their positions. Recent figures regarding representation of these groups provided in the annual report of the Office of Equal Opportunity and Affirmative Action add to my concern.

In my reading of an abstracted version of the "Interim Guidelines and Decision Making Criteria" from President Magrath, I found no references to the University's affirmative action concern. Would it be possible to forward to me any relevant material for sharing at the next meeting of the Committee on Social Concerns (Monday, November 27, Campus Club, 1:30-3:00). Also, if there is a member of the SCC who would like to meet with us on this issue, I would be glad to make space on the agenda.

Because of out of town commitments, I am unable to attend the discussion meetings scheduled for November 15 and 16. I am therefore raising this concern by memorandum. I am sure it will also be raised by others at the meeting.

FHW:jl



UNIVERSITY OF MINNESOTA

Continuing Education and Extension

Research Department
331 Nolte Center for Continuing Education
315 Pillsbury Drive S.E.
Minneapolis, Minnesota 55455
(612) 373-9775

November 14, 1978

TO: Vice President Linck and Professors Morrison and Zaidi

FROM: Clara Kanun *Clara Kanun*

SUBJECT: Ambiguities Among Academic, Quasi-Academic and Non-Academic Units

Although occasional reference is made to the relationship between the academic and non-academic in the documents on Retrenchment and Reallocation, there seems to be lacking a clearly developed statement on these matters. The consideration and correction of the imbalances among the academic, quasi-academic and non-academic units in access to and command of the resources of the University which have accrued during the recent expansion would seem dependent upon a clear delineation of the ambiguities among them. If the premise that the central mission of the University is teaching and research and community service based upon the knowledge and skill derived from these activities is accepted, then the ordering of priorities among the academic, quasi-academic and non-academic functions of the University in the order named would seem compelling. It would seem ambiguous and unacceptably wasteful to continue the current imbalances in command over dollar resources and institutional decision-making allocated to other than the academic faculty and academic units at the expense of the academic units.

A historical cause of the ambiguity among these units is the difference in personnel entry procedures. There is a clear and demanding procedure by which faculty are selected and appointed to academic departments with primary emphasis on academic qualification and evaluation by peer review. By contrast, entry into the University quasi-academic units is most often made by appointment by administrative fiat (particularly true for established incumbents) and academic rank and salary levels are assigned largely by the same process. The serious consequence of these differences in entry procedures is that the institutional controls over academic faculty are more restrictive than those on quasi-academic or non-academic personnel. Similarly, professional civil service positions are often achieved through a series of administrative re-labeling of titles of personnel who had entered the system at lower or introductory levels. The ambiguities have been exacerbated by recent cost-of-living increases in civil service salaries creating a gap between civil service professional salaries and academic salaries to the disadvantage of the academic faculty.

November 13, 1978

Vice President Linck and Professors Morrison and Zaidi

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Some examples of quasi-academic units are the libraries, Continuing Education and Extension, Agricultural Extension and some examples of non-academic units include the departments under the Vice President of Finance or the Vice President for Administrative Operations.

If I can be of any help in some systematic documentation of some questions which you may have about these matters, I would be pleased to be involved.

CK:lb

cc: Dean Miller



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November 15, 1978

To: President C. Peter Magrath
Professor Mahmood Zaidi, Chair, SCC
Professor Fred Morrison, Chair, UCBRBR

From: Jim Clark, UCBRBR

Re: Impressions from Wednesday's hearings

After the enlightening session with students and faculty members at large this afternoon, several global impressions that have been on my mind for several weeks have come together in a more presentable order. There are a couple of major recurring themes in the input that we have received in the last week or so, that I think indicate general areas where we need to work on the draft R&R document prior to its finalization. This letter represents my attempt to get my thoughts on these areas down on paper for the purpose of further discussion. Hopefully, some of these points will articulate themselves as we move further down through the consultative process.

(1) Application of Criteria at Various Levels of the Process

In the draft group's initial discussions of criteria for judgmental reallocation, I must admit that I had a hazy concept of the methods by which these standards would be applied in practice. Seeing the first fruits of its release, and the reactions of some Deans and department heads, has made the sequential nature of some of the criteria more evident to me, and I believe that an articulation of the 'most appropriate' levels of use for those criteria might be a valuable addition to the final document. For instance, much of the at-large faculty apprehension has centered on the 'cost-effectiveness' criteria; some apparently have concluded that it will be primarily applied at the Central level, e.g. that COG will make some metric assessment of cost-effectiveness, upon which the fate of a department's requests hangs. When we originally introduced this concept, the main idea was that, in cases where a program's cost could be reduced without reducing output quality, that adjustment should be made before any cuts in quality. The emphasis accorded to this point reflects our concern that departments consider this avenue carefully, and it is meant to be primarily a departmental-level criteria in that sense.

In a like manner, the question of a unit or program's current vulnerability to retrenchment (or, as SCEP has phrased it, its 'history') ought to be primarily addressed at the Deans' level. Different units will have different 'exposure' to retrenchment, depending on exclusions to the base, and in addition, some units are in worse positions than others, owing to their fortunes in the last couple of rounds of cuts. It was our assumption that each Dean would take this into account, or to be specific, that retrenchments within each academic unit would be judgmental rather than formula. Dependent on this assumption was our belief that those inequities that do exist would be accounted for by the process. Now, as things have started to roll, it seems that we did not spell out our expectations, as those Deans that have started to act are doing formula retrenchments within their units. The answer to this situation, it seems to me, is to spell out more clearly what inequities and criteria we expect to be taken into consideration at the level of the college (or budgeting unit) level, as opposed to the Central level. Among these would be the 'history' and 'exposure' questions, and I hope specifically that we could write in some kind of mandate that officers responsible for budgeting units will assess and consider these factors in the composition of their retrenchment packages.

(2) Accountability of the Process

Obviously we were correct in assuming that all judgments made in the course of this process should be clearly spelled out in terms of common criteria, and widely distributed. I agree strongly with Betty Robinett's suggestion that a few 'model' decision-packages be drawn up to help department heads and Deans form a better working understanding of the process, and have a further suggestion to offer. Could we include with that package an example of a resultant reallocation decision from COG? I suppose the form that this would take would be an example request, a 'yes', 'no', or 'partial funding' note, and a short written justification in terms of the criteria in the draft document. Letting people see an example of one of these justifications would go a long way towards bolstering their faith that they will, indeed, be supplied, and also towards understanding what position they will be in after the first 'divvy' is made.

(3) Maintenance of Academic values

A song I have heard sung in various committees of late, and one whose refrain is beginning to annoy my sensibilities, is the old saw that 'administrators', as such, are of course interested in a completely different set of values (pertaining to efficiency, maintenance, &c.) than the 'faculty', whose motives are true, good, beautiful, and (of course), 'academic'. It seems to me that there are two inescapable truths that

we have to come to grips with in the near future, especially under this retrenchm't process: (1) that this perception does exist in some segments of the faculty, and (2) that it's hogwash. The fallacy of putting expediency above educational priorities does occur, and far be it from me to say that it does not occur within this institution: however, it has been my observation that, like disease, it is no respecter of rank, and faculty members are just as vulnerable to it as administrators.

Recognizing these facts of life, it becomes apparent that the more we can do to reassure the community that the primary concern of the administration is its academic enterprise, the better off we are. I believe that the President's efforts in this direction have been very helpful so far, and hope that they are maintained as the process continues.

On other topics, I was mildly interested to see the 'linkage' question raised again by Professor Aeppli, and am curious to see how correct we are about the legislative perception of retrenchment. I can, at a minimum, easily assert that the time these deliberations are taking away from my coursework are not themselves lacking in educational value.

cc: Professor Don Browne, SCEP
Associate Vice President Al Linck
Mr. Dave Berg, MPIS