



UNIVERSITY OF MINNESOTA
TWIN CITIES

All University Senate Consultative Committee
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MINUTES

JOINT MEETING: SENATE FINANCE / SENATE CONSULTATIVE COMMITTEES
Wednesday, March 10, 1982

Members present: Robert Brasted, Marcia Eaton, John Howe, Walter Johnson, Hugh Kabat, Stanford Lehmberg, Rick Linden, Gail Lorenz, Douglas Pratt, Tom Scott, Pat Swan, Anthony Zahareas;
2:00 - Irwin Rubenstein.

Guests: Wesley Simonton, David Thomas. 1:15 - Vice President Keller.

Finance Chairwoman Pat Swan convened the meeting at 12:45 p.m. in B-12 Morrill Hall.

Announcements: (a) Vice President Bohlen has responded to the SFC that he doesn't presently intend to add a charge for the inter-campus bus, other than for the west bank-east bank link.

(b) Tuition vs. salaries. MSA has taken a sweeping position against tuition increases for the purpose of faculty salary increases. Lehmberg stated that any attempt to tie the two fails because of the co-mingling of funds.

1. Application of criteria in program prioritizing and budgeting.

Swan said a major part of the SFC's charge from the Senate is to assess the criteria used for evaluating programs. The SFC has not discussed the criteria by which budgeting is compared between colleges. SFC can at least ask how the budget reduction targets for each college were determined. Conversations suggest that many units see little relationship between their long-range plans and the dollars they have to forfeit in '82-'83. However, it is to each college's advantage to be guided by the long-range plans in making its assigned cut. SFC and SCC suspect colleges will only manage to make the cuts expeditiously, where open lines exist this year, which could be even more damaging than across-the-board cuts. It is now assumed that the cut is in the University's base. Hugh Kabat confirmed this from directives in Health Sciences.

Johnson pointed out that the committee should be able to learn something of where the cuts have been taken by a study of the detailed, line-by-line budget which is due July 1 or shortly after.

Lehmberg observed that in some places the only way to tie the plans to the cuts would be through exigency; hence there are people who now regret the University's haste in deciding not to declare a financial emergency.

2. Appeals process.

Consultative Chairman Patt reported that in February both the Regents and the President had suggested the FCC play a role as intermediary between aggrieved parties and the Regents. The FCC feels inadequately prepared to assume such a role. The SCC recognizes both that the units need an opportunity to make their case and that the appeals process has to have a time limit.

Vice President Keller said the Budget Executive is not opposed to the committees' withholding themselves from that task. Central administration, the Finance Committee and the Faculty Consultative Committee have the same objectives, he said, of assuring fair hearings and an end to the process. We're willing to do anything you want us to do in this respect, he told the committees.

Keller and the committee members agreed that, leaving aside the question of the Library School, CLA has held a reasonable level of consultation for all its affected units. Where the committees hear that the process has not been satisfactory within a college, or that the issue extends beyond a college, Keller said he would be happy to have Academic Affairs structure hearings for a review. He reemphasized that the judgments being made are not absolute but are relative to other units. He said he would be happy to get out a letter to deans, directors and department heads explaining appeals and setting a closing date for the process. However, he said, some aspects of the changes may not be resolved until a later time.

Keller said he has now talked with people in almost every one of the specific units affected by the program priorities. He described his discussions with the Astronomy faculty and IT deans and department heads, where the argument is over the relative value of basic science vs. applied science, but also involves the question of reasonable and fair work loads in present circumstances. Those parties have reached an accommodation.

Keller said the Regents' concerns are with the process and with fairness. While they may question certain decisions, they are coming to appreciate the decentralization of the prioritizing. They want to avoid looking at isolated parts of the whole plan.

Eaton asked whether Keller, in his talks with affected units, has perceived that they feel the grievance procedures within their colleges are adequate. Keller said that while some of course feel misunderstood, he is convinced they have been heard. He thinks each decision has turned out as it would have in any case. He predicted, however, that Academic Affairs will have to resolve the School of Management dispute by fiat.

Vice President Keller has been the only central officer involved in these discussions except in the Health Science units, where Vice President French has been the officer.

Pratt asked what the Budget Executive as a body would bring to an appeals hearing. Keller said the body would bring a dimension of formality; Vice President Bohlen would bring the reminder of the University's budget problem; Vice President Hasselmo would represent the need that budgeting be linked with planning.

Zahareas asked whether any of the appeals had radically changed Vice President Keller's mind. Keller replied no, and said significant changes have usually come where people proposed an alternative course which still satisfies the needs of the University. The Astronomy-IT agreement is an example; UMD has

made a case for recovering Home Economics and Education and cutting a different program.

Although the Budget Executive has yet to be tested as an appeals board, the plan sounds reasonable to the committees, said Swan and Pratt. Keller said he hoped by April the Budget Executive could report to SFC and SCC on who has appealed and what the disposition of the cases has been.

3. Matching budgets to priorities.

Vice President Keller distributed copies of several recent documents:

- (1) 3/8/82 Keller memo to provosts, deans, directors, department heads on Program Priorities Statements;
- (2) 3/8/82 Keller memo to Dean Lukermann on "Spending Reduction Targets for 1981-83 Biennium" (sample of memo to units heads), with attachment:
- (3) "Proposed Actions to Accommodate to 1981-83 Spending Reduction Targets (O&M Funds Only)", to be returned by March 26;
- (4) "Surcharge Alternatives and Resultant Implications" (3/10/82)
- (5) "University Budget Profile, 1981-83"
- (6) "Summary of Proposed Cuts for Coordinate Campuses" (3/9/82)
- (7) a tabulation by college of quantitative measures of work effort by several categories, including undergraduate teaching hours and enrollment;
- (8) retrenchment plans for UMC, UMM, AND UMW.

Keller expects \$1.5 million of the \$2.5 million to be saved will come out of the programmatic decisions. There are many empty lines on the programs identified. He expects the returns on the forms due March 26, "Spending Reduction Targets" to be the basis for the Budget Executive's discussion with the Finance Committee on next year's budget. The gains are not predicated on the dismissing of tenured faculty.

Committee members reported that anecdotal information reveals doubt that program priorities will truly be reflected in the cuts taken. Department heads and deans, in contrast to the Budget Executive, are skeptical the two can be matched up. Further discussion was laid over to March 18.

Keller briefly discussed the document "Surcharge Alternatives and Resultant Implications." The figures predict no significant enrollment drop from increased tuition. There is only speculation as to the integrated effects of the impending aid changes, the national economy, the job market, and the much higher cost of private colleges on student plans.

4. Faculty salaries.

Vice President Keller asked if a poll of faculty would be appropriate on a ballot which indicated the trade-offs and alternatives regarding salary increases. Faculty must responsibly take a position on the related issues when requesting an increase, he said. He approved the proposal for a forum jointly sponsored by Faculty Affairs and the SCC, if it is preceded by printed factual information and alternative choices on the budget. This year's 2.16% retrenchment for faculty salaries brought departments an appreciation of what a cut does, Swan said.

The meeting was adjourned at 3:00 p.m.

Meredith Poppele, Recorder