

FOOTNOTE

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The Budget Plan:

Tuition Increases, More Program Cuts, and No Salary Increases

The University's dismal budget situation is becoming an ugly reality for everyone throughout the system. The bottom line is that the University is taking a heavy hit from the state, and everyone—from central administrators to students—will feel the effects.

For starters, faculty and staff won't get salary increases this year. The legislature didn't fund increases for next year, either, but President Nils Hasselmo says one of his top priorities is to ensure salary increases for 1992-93.

If that's not enough, the 1991-92 budget plan includes \$32 million in program cuts and a 12 percent tuition increase. This is in addition to \$4.5 million in program cuts that will be made for the first year of the University's \$60 million, five-year reallocation and restructuring plan.

The second year of the biennium may be even worse. The University faces additional program cuts resulting from Governor Arne Carlson's line-item vetoes of special programs totaling \$23.2 million.

The 1991-92 budget will go before the Board of Regents for action July 12. Central administrators have elected to hold off on the University's second-year budget until after the state economic forecast is released in November.

The salary outlook should improve next year. "The prospect of having a second year of no salary increases is totally unacceptable," Hasselmo says. "We're running the risk of eroding what makes this university among the leaders in the country. We'll continue to argue against this at the state capitol."

If the state does not offer additional funding for salary increases

in 1992-93, increases will be funded by using University resources, which may mean additional cuts, Hasselmo says.

Forgoing salary increases this year will mean faculty and staff will fall behind inflation at a rate of 4-5 percent. In terms of dollars, full-time faculty will forgo an average of \$2,350 next year, while the average full-time staff member will lose \$1,200. The total forgone compensation totals \$18.5 million.

Exceptions to the no-increase rule exist, however. Faculty and staff under contract will get salary increases if the contract calls for a raise. Exceptions will not be made for faculty or staff whose salaries are funded from other sources. That's necessary to ensure that everyone is treated fairly, Hasselmo says.

Hasselmo has consulted with various University groups concerning salary and has been pleasantly surprised with the attitudes he's encountered. "None of those groups like the idea of no salary increases and neither do I," he says. "But I've been impressed with their willingness to cooperate and to help the University. The willingness to cooperate is important in that everyone gets treated fairly."

The forgone salary increases will be one component in the budget-balancing package. The other two main components are tuition increases and program cuts.

The legislature reduced the University's budget base by \$41 million for the biennium. Because the base itself was adjusted, the funding reduction actually comes to \$32 million. But some inflationary cost increases are inevitable, which means it will take more than that

to balance the budget.

The decisions behind the program cuts needed to balance the budget will follow closely the principles the University is using in reallocation and restructuring, which focus on improving quality. Programs that just made the cut could get hit in the budget process. "It'd be the next layer of priorities," Hasselmo says.

Within the next several months, administrators will identify the \$32 million in program cuts. The University will realize cash savings of only \$10 million from cuts made this year; the remaining \$22 million in program cuts will be phased in. "We're really putting the screws on every part of this University to come up with cuts," Hasselmo says. No further cuts—aside from the reallocation and restructuring plan—will be recommended in 1992-93 unless the governor's line-item vetoes of the special programs stand.

The University will use bridge funding to meet some of the state's budget cuts because of the small cash savings that will be realized from first-year program cuts. That bridge funding will come in the form of about \$7.5 million in interest from departments' temporary investment funds. Departments with balances in their investment funds receive interest rates that are close to those of a treasury bill—about 6 percent. But the administration is recommending a one-year holiday on the interest paid and then a reduction of the interest rate to 5 percent. Withholding investment income "of course means more program cuts imposed on the deans and

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directors whose units hold those balances, but they are the only funds other than our central reserve that can be called on for such a short-term emergency," the budget plan says.

Included in the program cuts will be layoffs. The University will rely heavily on attrition but some positions will be cut. Hasselmo says no tenured faculty will be laid off though.

Administrators tried to avoid a lot of anxiety within the University by identifying all the program cuts at the beginning of the biennium instead of spreading them out over two years, says Robert Erickson, senior vice president for finance and operations. "If we had done this over a two-year period, I think there would be a perception out there among people of 'When is this going to stop?' The worst thing that people have to deal with is uncertainty. And if you know that you have the first installment, but the

second installment is hanging out there, it's not a good situation."

The University expects to generate about \$13 million by raising tuition an average of 12 percent next year. The increases, which range from 1.7 percent to 17.3 percent in the Law School, will amount to about \$300 per year for undergraduate students. All lower-division students will experience a 12.8 percent tuition increase.

"Clearly, we're placing a burden on the students and their families with these tuition increases," Hasselmo says. "Year after year, tuition increases continue to exceed inflation and increases at comparable universities. That must stop."

With the 12 percent increase, revenue would increase only 9 percent because of a decrease in enrollment and the University's need to return some tuition money to the state for debt service on new buildings.

The University "continues to represent good value," the plan says. "Some undergraduates will pay more than \$325 more per year in tuition, but the majority of undergraduates still pay less than \$3,000 per year to attend."

The tuition increase would be at least 7 percent greater than inflation, meaning that full-time students will pay about \$200 more than an inflationary increase. In total dollars, the tuition increment produces about \$8.5 million above inflation.

The University is trying to counter some of the tuition increase with an additional \$2 million in financial aid. The administration has heard arguments for dropping the \$2 million financial aid raise and then reducing the tuition rate hike—basically offsetting the two. The argument is that all students are having to share the burden of a tuition increase while a small number will benefit from the financial aid package.

Hasselmo says the financial aid increase was added to help the neediest students, but he says he will re-evaluate that decision.

In addition to the \$41 million cut in its base budget, the University faces Carlson's line-item vetoes totaling \$23.2 million for 1992-93.

The funding was for 19 programs in the state special appropriation, which is separate from the University's base budget appropriation and is subject to the governor's line-item veto.

Through the vetoes, six Institute of Technology (IT) special programs will suffer \$3.6 million in cuts. Five of those programs, administrators say, are key components of IT's service activities: the University of Minnesota Talented Youth Mathematics Program, the Minnesota Geological Survey, the Microelectronics and Information Sciences Center, the Productivity Center, and the Underground Space Center. The Mineral Resources Research Center, which also was identified in the line-item vetoes, was eliminated through reallocation. The veto has the effect of undercutting that reallocation of about \$800,000 a year to higher priority programs.

The balance of the cuts in special programs, totaling \$19.6 million, were scattered throughout the system: the biological process technology institute, the Center for Urban and Regional Affairs, women's intercollegiate athletics, minority and disadvantaged graduate student fellowships, the general research fund, the Humphrey Forum, the industrial relations education fund, the Supercomputer Institute, the Natural Resources Research Center, the Minnesota Sea Grant College Program, student loan matching, the Bureau of Business and Economic Research at Duluth, and the James Ford Bell Museum of Natural History.

Carlson's line-item vetoes were "fundamentally unacceptable," Hasselmo told the regents last month. Hasselmo's concern is that Carlson's vetoes were not based on program merit, the return on public investment, or effects on public policy or interest, but rather they were based on dollar targets.

According to Carlson, the legislature's budget was not balanced and would have shifted a \$600 million deficit into the next biennium if it had passed. In an effort to reduce that deficit, Carlson exercised his line-item veto power on all the higher education systems, state finance commissioner John Gunyou told the regents.

Since the University got hit the

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hardest, Carlson suggests sitting down with administrators from all the higher education systems to determine how to distribute those cuts more equitably. Or, Carlson will recommend during the next legislative session that the state restore \$7.1 million for the University's special programs, Gunyou says. "(Carlson) felt that some areas that were hit should not have been. IT is definitely an area that he will restore. He also felt strongly about women's athletics, which he intends to restore."

Hasselmo says that both solutions are unacceptable. Since the other systems concentrate largely on instruction instead of research, Hasselmo doesn't believe they'd be willing to offer their funds to support the University's research and public service activities. Also, the University will press hard for

the full restoration of these funds to avoid having to cut more programs as a way to fund all or some of the special programs. "Yes, the University has the authority to do that. Pragmatically, the level of budget cutting required to do it would be devastating," Hasselmo says.

Carlson's message is creating a destructive uncertainty throughout the University and it indicates that the University may have to improve how it communicates to the legislature and the general public, Erickson says. "It's beyond me how the governor in all good conscience keeps this process going with all the uncertainty that's being created. We've got to start screaming from the tops of the flagpoles about what the University does for the state of Minnesota. It's not understood, we think we've been effective, but I don't think we have.

"Maybe this will be the thing that galvanizes some of the support that's out there because it really strikes at the heart of what we're trying to do, and that's research," Erickson continues. "Jobs are something that people in the state can understand. This place has been a job machine."

Carlson's vetoes could discourage University faculty members as well, says Warren Ibele, chair of the Faculty Consultative Committee. "It seems to me that unless some stability and continuity are put into those programs, some of the best people are going to take flight."

Hasselmo summed up the state funding situation like this: "How did we fare? I think the jury is still out in comparative terms. Clearly, we did not fare well. The investment in this University is the best investment the state can make." ■

The Governor's Line-Item Vetoes

The following is a list of the special programs that would be affected by Governor Arne Carlson's line-item vetoes.

Six Institute of Technology (IT) specials suffered cuts. But the Mineral Resources Research Center was already slated for a cut through reallocation. Here are the other five:

- The University of Minnesota Talented Youth Mathematics Program provides college-level math to some 300 talented high school students.
- The Minnesota Geological Survey functions as the state's geological agency.
- The Microelectronics and Information Sciences Center focuses on microelectronics education and research.
- The Productivity Center works to enhance productivity in

industry.

- The Underground Space Center researches underground development and construction.

The other programs are:

- The Institute for Advanced Studies in Biological Process Technology researches biotechnology.
- The Center for Urban and Regional Affairs focuses on problems that face Minnesota communities.
- Disadvantaged graduate student fellowships offer access to graduate education each year for eight students, mostly minorities.
- The general research fund provides capital for seeking research funding.
- The Humphrey Forum uses programs and exhibits to promote the ideals of Hubert Humphrey.
- The industrial relations education fund promotes harmony in labor-management relations.

- Women's intercollegiate athletics.

- The Supercomputer Institute is the world's most outstanding academic supercomputer program.

- The Natural Resources Research Institute addresses environmental problems.

- The Sea Grant program is devoted to education and research to preserve and enhance the resources of Lake Superior.

- Student loan matching allows Minnesota to match federal student loan programs.

- The Bureau of Business and Economic Research at Duluth publishes economic development information.

- The James Ford Bell Museum of Natural History displays public collections and exhibits, and conducts educational programs. ■

□ THE CHAIR'S REPORT

By Warren Ibele
Chair, Faculty Consultative Committee

The following is Warren Ibele's last column as chair of the Faculty Consultative Committee (FCC), a position he held for two years. Professor Tom Scott succeeds Ibele as chair.

As the academic year drew to a close and the implications of legislative decisions on the

University's budget for the next biennium were becoming clear, a colleague from the Faculty Consultative Committee asked my opinion about the most important event during my term on the committee. Certainly there was no dearth of candidates: President Nils

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Hasselmo's appointment as president, the launching of the Undergraduate Initiative, the regents' vote for restructuring and reallocation, and the report of the Task Force on Liberal Education spring to mind.

On the somber side, there was the untimely loss of Gus Donhowe, the acts of bigotry and intolerance on campus that reflect problems in our society, and the disappointing actions of the legislature—understandable to an extent, given the state of the economy—and of the governor—puzzling indeed, given his earlier pronouncement regarding the importance of the University to higher education and to the state.

The separation of some of these events is clearly artificial. The presence of Hasselmo and his conduct as president is not unrelated to the decisions of the Board of Regents to approve the restructuring and reallocation plan for the next three to five years. The recommendations of the Task Force on Liberal Education are important but are only a part of the Undergraduate Initiative. The success of the initiative, in turn, depends on the resources that become available because of the regents' decision on restructuring and reallocation. Because the University is a public institution and is governed by a citizen's board that ultimately determines its course, my answer to my colleague's question was that I consider the regents' decision on

restructuring and reallocation to be the most important event.

That difficult decision by the regents has implications for all academic programs. It is a first, necessary step. If it is to take on meaning and substance, however, faculty will need to carefully review curricula and course offerings and confront difficult choices about curricula and course continuation, modification, possible combinations, and new initiatives.

An important part of that exercise should be a careful consideration of the processes and systems by which curricula/courses are presented. Our instructional programs should be marked by the latest insights into how students learn, no less than our research investigations are marked by the most recent research techniques. Work of our College of Education colleagues should be a valuable resource in this effort.

One of the major challenges facing our country is our continuing struggle to accommodate differences of all kinds and promote true opportunity. It is disturbing when instances of racial and religious intolerance and hostility toward certain groups intrude upon college and university campuses. We like to believe that if there is any setting where reason should prevail, surely it would be a university campus.

The issue does not want for attention. The Task Force on Diversity attempts to develop a

stronger sense of community on our campuses, particularly the Twin Cities campus. And the recommendations of the Task Force on Liberal Education will contribute toward the resolution of a major societal problem. Certainly, it will not be easy. An urban, commuter campus where most students work half-time or more may not be the optimal context for solutions. It may just happen, however, that the rewards of success will be the more handsome because of that context.

There is one arena in which University decisions alone will reach forward in time to shape its character and purpose. "They're changing guard at Buckingham Palace" runs the opening line of an A.A. Milne poem, and through the '90s the faculty "guard" will change as the early, post-World War II faculty retire and are succeeded by a new generation. The demography of this change has been clear for some time now: large numbers of departures over a relatively short time span and a smaller number of highly qualified "rookies" to replace them. Great universities rise on the accomplishments of great faculties. Given the circumstances, our first priority should be the development of attractive conditions, a sound recruiting strategy, and a firm commitment for bringing the best young scholars and scientists to this university. We could bequeath no finer legacy to those who will follow us in this place. ■

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And In With the New

The University Has Two New Deans and a Senior VP But Not Without Controversy

A series of controversial personnel matters over the last six weeks has affected four high-profile administrative positions at the University, including the senior vice president for academic affairs and provost.

In a nutshell, Leonard Kuhi is out and Ettore "Jim" Infante is in. David Kidwell is in. Robert Bruininks was nearly in, then he was out, but now he's in.

The bottom line is that this recent administrative shuffle has left President Nils Hasselmo with a less experienced cabinet and academic administration during a crucial time, when the University is struggling with program cuts that are a result of the reallocation plan and budget restraints.

The most surprising development involved Kuhi's resignation as senior vice president for academic affairs and provost. In a one-sentence letter dated June 28 to Hasselmo, Kuhi said he was resigning because of "unreconcilable differences in our philosophy towards the management of academic affairs." His resignation is effective September 15.

Hasselmo appointed Infante, dean of the Institute of Technology (IT), to fill the position for one year while the University conducts a search for a permanent replacement by July 1992.

Kuhi's resignation leaves Hasselmo with relatively inexperienced senior administrators. The other senior vice president, Robert Erickson, has been on the job for only six months, after replacing Gus Donhowe, who died last winter. Most of the vice presidents are also new to their positions since Hasselmo became president two years ago.

While some faculty members

say Kuhi's personality may have been too abrasive for Hasselmo's administration, most faculty didn't have a chance to form an opinion about him, according to Tom Scott, Faculty Consultative Committee (FCC) chair and director of the Center for Urban and Regional Affairs. "There was not really a faculty consensus," he says. "Some people were surprised that it happened so quickly, but not a lot of people were shocked or deeply disappointed. People have a lot of confidence in the president and they felt that if that's what he needed to do, then it was the right thing to do."

Kuhi was quoted as saying that he had no choice but to resign because Hasselmo had no confidence in him. Hasselmo's concerns over Kuhi's performance were reflected in the president's performance evaluation that was conducted by a regents committee and released July 13. In the evaluation, Hasselmo was given high marks, but the leadership and management of academic affairs was criticized.

According to the evaluation, carrying out the reallocation plans—called the greatest challenge now facing the University—while continuing to reexamine academic priorities requires decisive leadership in academic affairs. "The president's self-assessment recognizes the need for more aggressive academic leadership, and constituencies report a similar concern about the current capability of academic affairs to respond to critical challenges," the report says. "It is imperative that the president make whatever changes are necessary to ensure that the momentum of change be nurtured."

Kuhi, who came from the

University of California at Berkeley in September 1989, was chosen from 115 applicants to fill the position that had been vacant since June 1988, when Roger Benjamin resigned.

Although Kuhi had his downfalls, he also had many accomplishments during his two-year tenure at the University. He was instrumental in establishing the Liberal Education Task Force to revamp the general education requirements for undergraduates; he established a task force to study the salary structure and posttenure review system; he cofounded a committee of academic officers from the four higher education systems to improve cooperation between the systems; he created the position of vice provost to spearhead the undergraduate initiative; and he piloted a formal review for academic administrators.

Hasselmo expects Infante to maintain the momentum of the University's programs while a search committee finds a successor for Kuhi. Infante's appointment won't carry the "acting" or "interim" qualifiers, Hasselmo says, because it could be perceived as influencing his responsibility and authority.

Infante was selected because the University needed a leader who could "come down running," Hasselmo says. "Judging from his administrative, professional, and community service, he seems to have boundless energy. Judging from all the sessions he and I have had together, I know he understands and is committed to the University's vision."

Scott expects the transition to be

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relatively smooth, since Infante has dealt closely with many of the issues—reallocation and the governor's line-item vetoes specifically—that he will face as senior vice president and provost.

"[Infante] has a reputation of taking a Universitywide approach to issues," Scott says. "He has a reputation for not taking a parochial view, and that's very positive. The main thing is that he's been involved in so much—reallocation in particular—that he can hit the ground running as well as anyone. That gives him an obvious advantage.

"What was important was to select someone who had instant credibility with faculty and deans, who could be trusted, and who was above reproach. From the outset, he was regarded as one of the two or three logical people to do the job," Scott adds.

Infante doesn't regard his task as monumental, but rather extremely demanding and challenging. He

agrees that he has been involved in many of the issues he now faces, but as the top IT administrator—not as senior vice president and provost.

"I'm just trying to learn as fast as possible," Infante says. "I have a great deal of learning ahead of me."

Infante says he wants to be considered a candidate for the permanent position, which gives rise to a situation similar to that which the University was in when David Lilly retired as senior vice president for finance and operations. As the University conducted a search for Lilly's successor, it named Donhowe to a one-year appointment. When the search was completed, Donhowe was offered the position.

Infante recognizes the similarities between his and Donhowe's appointments: both were made quickly with administrators who could take over the office effectively and with some knowledge of the issues facing the office. "We committed ourselves to conducting ourselves as if there was no next year," he says.

Now, he hopes the University community joins him in trying to accomplish the difficult tasks facing him, especially the budget cuts and reallocation plan. "Those are not only my tasks; everyone at the University is involved," he says. "My task is to try to make sure, as accurately as possible, that I present to the deans, faculty, professional and academic personnel, and civil service staff the situation and how the University can improve while living within its means. I'm confident that my colleagues will do it to the best of their abilities."

Infante will take a one-year leave of absence as IT dean, a position he has held since coming to the University seven years ago. Vice Provost Anne Hopkins will recommend an acting IT dean as soon as possible.

While the regents unanimously approved the appointment of Infante and praised Hasselmo for his selection, they faced two other appointments at their July 13 meeting, one of which appeared controversial, while the other looked cut and dried. During the meeting, however, just the opposite

occurred.

It appeared that the regents would face controversy in considering David Kidwell as dean of the Carlson School of Management, while approving Robert Bruininks as dean of the College of Education seemed relatively routine.

But the regents approved the Kidwell appointment with little discussion and asked Hasselmo to postpone action on the Bruininks appointment because of concerns over diversity.

Kuhi's recommendation of Kidwell was initially met with controversy because of the large price tag that accompanied it. Kidwell, whose appointment will be effective September 1, will get a \$160,000 salary and \$36,000 a year from endowment funds provided by the business community. Here are the other items included in the agreement:

- Next year, the University will add \$625,000 to the Carlson School budget and will add similar increases each of the following two years.
- Repayment of the school's \$1.75 million deficit will be deferred until 1995-96.
- Tuition from the addition of students in the Carlson School will be dedicated to the school.
- A new management building will be built if Kidwell can raise \$20 million and the University can get matching funds from the state. Kidwell will immediately start on a feasibility study for the project.

Kidwell is expected to do most of the school's fund-raising, some of which will be from private businesses for major program development. He is also expected to increase access to management courses and internationalize the business program.

The demands on Kidwell are high. He must make the Carlson School one of the top business schools in the country, a feat that can only be achieved through a major commitment by the University, Hasselmo says. "No half-hearted effort is going to produce the kind of nonstate resources that are necessary to build the CSOM. We run the serious risk of losing ground, of not even sustaining the progress that has been made in improving the CSOM, if we do not

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make a major commitment now."

The University's agreement with Kidwell surprised many who thought the agreement was excessive. But during the University's three-year search for a dean—two candidates refused offers during that time—it became apparent that the University would have to commit substantial resources to accomplish the University's goals for the Carlson School. Also, nationally recognized business school leaders receive high salaries at other major universities, which are in stiff competition with private business for those individuals.

Board of Regents Chair Elton Kuderer agrees that many questions were raised concerning Kidwell's salary and the commitments to the Carlson School, but those who questioned the University's decision soon realized that the market for individuals like Kidwell dictates those commitments, and the University will greatly benefit from his leadership. "That's the way the whole world operates," he says.

Kidwell, an expert in financial systems and capital markets, is dean of the School of Business Administration at the University of Connecticut. He has participated in a number of National Science Foundation-funded research projects on the efficiency of U.S. capital markets and the impact of government regulations on the consumer financial service industry. He is also an adviser to the Connecticut Commissioner of Economic Development and a consultant to several major New York City banks and Wall Street firms.

"He is committed to making business schools strong assets for their communities," Hasselmo says. "He intends to make the Carlson School a major player in the region's economy, respond to the concerns of the state's businesses, and raise the school's national visibility."

Hasselmo had less luck with his recommendation for Bruininks as dean of the College of Education. Hasselmo withdrew Bruininks's name at the request of Regent Jean Keffeler, who questioned the recommendation for Bruininks—a white male—over the recommendation of an African American woman

who was also one of the three finalists.

"It's hard for me to understand, and today not possible for me to support, not seizing an affirmative action opportunity to make an appointment in this area—an appointment that is congruent with our diversity objectives and an appointment that is imperative for our academic excellence objectives," Keffeler said at the meeting. She requested that the appointment be deferred and that the review process be reassessed.

Regents Stanley Sahlstrom and Kuderer argued that a complete and proper search had been conducted and that extensive interviews had been completed before Bruininks was recommended. "I think it's foolhardy for us to start second-guessing that kind of process," Kuderer said.

Hasselmo admitted that he had similar questions about the appointment. "I had to be convinced that there was a substantial difference in the experience and credentials of the candidates involved before I accepted the recommendation that was brought forward," he said. "I have to stand by that recommendation."

Keffeler said she wanted an opportunity to review the recommendation because, "I think that what's at stake is very significant. It's an extremely important appointment in an extremely important college that has a tremendous impact on the ability of the University to relate to the urban community."

After consulting with his staff, Hasselmo withdrew his nomination so that the University's commitment to diversity wouldn't be jeopardized.

Ten days later, on July 22, the same recommendation was made at a special regents meeting. The other two finalists, however, had withdrawn their names from consideration.

Keffeler says that her initial objection was not targeted at Bruininks, but was aimed at the diversity issue. "I think if we look at the category of African American faculty in the leadership ranks, we have a disappointing profile. Other universities are doing a better job in this area than we are. They are moving more aggressively and effectively, and as a result they are

offering their students and their community a more relevant, rich, and better academic environment."

Bruininks, a professor of educational psychology at the University, says he was disappointed that the regents hadn't filled the position initially, because the search had been going on for more than nine months. The college desperately needs a dean prior to fall quarter because of the retrenchment that the college must undergo as a result of reallocation and budget cuts. In all, the College of Education will experience a 12 percent cut over the next five years.

"The cuts will need some creative management," Bruininks says. "It's going to be a challenge to deal with the budgetary problems of the state and the University, but the college starts from a position of real strength and it's our job to maintain that strength."

"I personally believe that a professional school of education is vital to the University and to the state of Minnesota," Bruininks adds. "Given the current importance of education and the current status of the College of Education, I think we can weather this and even strengthen the college."

Bruininks is director of the University's Institute on Community Integration, which he founded in 1985 to promote teaching, research, and outreach programs to better integrate Minnesotans with disabilities into their schools and communities. Since joining the University in 1968, he has procured more than \$21 million in outside grants and contracts to fund several long-term research programs.

Although controversy accompanied most of the recent personnel matters, Kuderer doesn't believe that they were cause for adverse public perceptions of the University. In fact, he believes they were positive steps.

"Because of budget cuts and reallocation, people have been depressed and preaching gloom and despair," Kuderer says. "That's just not the case. The University is alive and vibrant. We've had some excellent people come on board. These are really some positive improvements that we're making at the University." ■

Blue Ribbon Commission Has Strong Ties To the U

The list of 16 members on the Governor's Blue Ribbon Commission on Higher Education has been announced and includes 13 people who have ties to the University. The commission was formed to assess the state's long-range higher education needs while focusing on a balance between access and quality.

Connie Levi, president of the Greater Minneapolis Chamber of Commerce, will chair the commission. She was a former member of the Minnesota House of Representatives and was majority leader for one term.

The other members are:

Bruce Boraas, a Ph.D. candidate in Biometry and Health Information Systems at the University. He was an instructor in the Department of Science and Mathematics at the Morris campus from 1980-81. He served as director of Health Computer Services in the Department of Laboratory Medicine at the Medical School from 1970-75 and he was a research fellow in the Department of Laboratory Medicine from 1968-75.

Al Christopherson, who earned a bachelor's degree in agricultural economics from the University, is president of the Minnesota Farm Bureau Federation and Affiliated Companies. He is a member of the University's Institute of Agriculture, Forestry and Home Economics Advisory Council.

Frederick Green received his bachelor's degree in mechanical engineering from the University and is now president of Ault Inc.

Attorney Lawrence Perlman is president and CEO of Control Data. He is on the Board of Overseers of the Carlson School of Management.

Jennifer Alstad is student body president at the Twin Cities campus. A senior majoring in political science and Chinese, Alstad was legislative director of the student senate last session.

Joyce Siegel is a member of the student association at the Duluth campus. She is a junior majoring in political science and communications.

Esperanza Guerrer-Anderson earned her master's degree in management information systems from the University and attended the Humphrey Institute's Reflective Leadership Program on Public Policy. She has held many positions in banking, finance, and small-business consulting.

Mahlon Schneider, a Law School graduate, is vice president and general counsel for the Hormel Co.

Edouardo Wolle, executive director of the Spanish Speaking Affairs Council, earned a master's degree in education administration from the University.

A University Alumni Association member, **Donald Sudor** is past

president of the Board of Directors of the Institute of Technology Alumni Society, and is past chair of the Computer Science Advisory Board at the University.

Catherine Anderson is founder, CEO, COO, and president of Medical Graphics Corporation. She was previously a medical technologist and associate scientist at the University Hospital and Clinic.

Archie Chelseth earned a bachelor's degree in political science from the Duluth campus and a master's degree in public administration from the Twin Cities campus. He is now director of public affairs for the Potlatch Corporation in Cloquet, Minnesota. He was an administrative fellow with the Institute of Agriculture, Forestry and Home Economics.

Marilyn Tickle Bryant is vice president and director of the Adjustable Joist Company. She received a bachelor's degree in philosophy from the University and did graduate work at the Humphrey Institute in the Reflective Leadership Seminar.

Hazel O'Leary and **Paul Boranian** have no ties to the University. O'Leary is executive vice president of corporate affairs with NSP and Boranian was director of Community Education Services for the Minneapolis Public Schools from 1968-90. ■

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Appointments Made

Blue Ribbon Group Named

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FOOTNOTE

□ August 27, 1991

□ Volume 5, Number 3

□ Published by the Faculty Consultative Committee

Labor Negotiations:

The State's Salary Settlement Doesn't Do the University Any Favors

The University's financial situation and its shrunken budget continue to demand attention throughout the University system, especially since fewer funds means that the University can afford fewer expenses.

One of the budget components that have gained the most attention involves salary increases. Central administrators have made their position quite clear: no salary increases this year. Any salary increases, they say, would result in program cuts and layoffs in addition to the significant cuts being made through reallocation and the budget cuts.

But there are pockets of University employees who cling to a glimmer of hope for salary increases this year. They are members of five major bargaining groups that are now negotiating contracts with the University. Members are hoping those contracts will include salary increases.

Many labor-related issues are being negotiated during contract talks, but University negotiators will have their hands full when the discussion comes to pay raises. The University will stick to a policy of zero increases this year while remaining flexible on the second year of the contract.

Salary demands are one of several problems making this year's labor negotiations difficult, says Marsha Orr, director of labor relations for the University. Adding to the complexity of this year's negotiations is the recent formation of a new labor group—3,200 clerical workers are now represented by the American Federation of State, County, and Municipal Employees (AFSCME).

The other four bargaining groups

negotiating contracts this year are the University Police, represented by the Teamsters; the service and maintenance workers, also represented by the Teamsters; the nonprofessional health sciences staff, represented by AFSCME; and the University Education Association, which comprises Duluth and Waseca faculty.

All five of the bargaining groups are now in mediation.

Contract negotiations with a newly formed bargaining unit are always difficult, because the two parties must write a new contract, instead of updating an existing one, Orr says.

The difficulty in negotiating salary increases this year centers around the increases awarded by the state, which settled with its bargaining groups for 2.5 percent increases (2 percent in June and .5 percent in January) this year and next.

In the past, the University has closely followed the settlements reached by the state, but this year has to be different, Orr says. Central administrators are stressing that forgoing salary increases this year will help the University minimize cuts and layoffs that will result from the state budget cuts. Any salary increases, administrators say, would require more pink slips than are already needed to balance the books.

And, insisting on no salary increases allows the University to emphasize educational excellence and its continued support of reallocation. It also allows the University to gain some consistency in its salary policy, and highlights the value that the University places on retaining its human resources.

"The most vital resource here is

the people who support the University's mission," Orr says. "These are valued employees.

"We need some consistency. It puts us in a very tough spot when you have a faculty group that has forgone a salary increase and has an interest in maintaining some consistency in salary increases," she adds.

Just as the University has had widespread concern over the salary issue, rumors have been circulating about a possible strike.

But the threat of a strike is slim, Orr says. Unlike some universities, like Yale, that have recently gone through bitter strikes, the University has never had a labor-related strike and it's unlikely that a strike will occur this year. Negotiators for the clerical workers have told the University that the group will not strike.

Because police protection is considered an essential service by law, it is illegal for the University Police to strike. If negotiations reach an impasse, the case will go before an arbitrator, who will settle the issues that couldn't be negotiated.

Regardless of the outcome of the negotiations, the University will continue updating its strike plans, which outline steps for maintaining essential services in the event of a strike. And since the University has never needed to prepare for a strike by clerical workers, administrators are consulting with faculty and staff to create contingency plans.

"It is difficult for labor negotiators to sell the 0 percent increase," Orr says. "Our position could be interpreted as a very hard-line position, but we need to turn that around. It's just a realistic position." ■

New Retirement and Severance Programs Aimed at Minimizing Layoffs

The University has implemented two short-term programs to encourage employees to retire and to help those who are laid off as a result of reallocation.

The Voluntary Retirement/Health Benefits Program and the Termination/Severance Program were implemented August 1 to minimize the number of layoffs resulting from the reallocation plan and to help the University save costs associated with layoffs. Applications for both programs will be accepted from eligible employees through December 31.

The Voluntary Retirement/Health Benefits Program is an early retirement incentive plan that extends subsidized health care and

dental coverage to age 65. The program is offered to faculty members, academic professionals, and civil service employees who fall within the rule of 75—their age and the number of continuous years they have worked at the University total 75 or more.

The medical and dental coverage continues until the employee is eligible for Medicare or other group coverage, whichever comes first. Both incentive programs replace the continued benefits available under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

The Termination/Severance Program involves a lump-sum payment that's equal to one week of pay per full year of continuous service at the University, up to a maximum of 52 weeks. This program is offered to eligible academic professional and civil service employees. Faculty members are ineligible.

Under this program, medical and dental coverage is available for two years following termination. If the person laid off falls within the rule of 75, medical and dental coverage will continue until the person becomes eligible for Medicare or for other group coverage, whichever comes first.

The exact number of people to be laid off at the University is unknown, but could be between 500 and 1,000. As many as 2,000 employees could be eligible for the retirement program, while an undetermined number will be eligible for the severance program. Union employees are ineligible for both, unless the programs are negotiated between the union and the University.

Another unknown is what the programs will cost the University. They are expected to be cost effective, since eliminating positions while paying out benefits should result in savings.

The two programs are new components of the University's

Career Transition Center, which also offers a variety of other services to help employees who are affected by reallocation. "We're trying to avoid layoffs if we can," says director of University personnel Roger Forrester, who oversees the civil service part of the center. "We want to minimize layoffs and ease the transition for others."

Forrester says it's too early to determine the interest in the programs, but the center has received many inquiries and comments have been favorable. "There's been a lot of questions, which is an indication that there's a lot of interest," he says.

The number of layoffs at this point have been minimal, which is why there has been little interest in the Termination/Severance Program, says Robert Fahnhorst, operations manager for the Employee Benefits office. The largest unit that has experienced layoffs is Facilities Management.

The retirement program has mostly attracted the attention of civil service employees, Fahnhorst says, mainly because many faculty members are not around campus. "I think we're really going to have to wait until closer to the end of the window of opportunity [the end of this year]," he says.

Here's a closer look at the two programs.

The retirement program requires eligible employees to resign by June 30, 1992. Tenured faculty must begin a phased retirement or terminal leave by July 1, 1992. Eligible employees must hold at least a 75 percent appointment and must have been employed as of August 1 or must hold an employment contract for 1991-92 that begins before January 1.

Academic professional and administrative staff who hold a contract for 1991-92 that begins January 1 must sign up for the retirement program before December 31 or their last day of employ-

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Managing Editor: Geoff Gorvin
Copy Editor: Mary Lopez

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The University of Minnesota is committed to the policy that all persons shall have equal access to its programs, facilities, and employment without regard to race, religion, color, sex, national origin, handicap, age, veteran status, or sexual orientation.

ment, whichever comes first. They also must quit within 60 days of receiving notice of nonrenewal.

Civil service employees who are employed as of August 1 must sign up for the retirement program before December 31 or their last day of employment, whichever comes first, and must quit no later than June 30.

Eligible employees for the Termination/Severance Program must have received a notice of layoff or nonreappointment. Eligible academic professional and administrative staff must hold a contract that's for at least nine months and 75 percent time. They must also be academic professional staff on a continuous (G) or probationary (H) appointment, or a professional and administrative employee on annual (K) or fixed term (J) appointment.

Limited and acting administrative staff, lecturers, teaching specialists, research specialists, and those holding student/professional training titles are not eligible.

Eligible civil service employees must have a continuing appointment of at least 75 percent time, have been employed at the University by August 1, and receive a layoff notice prior to December 31. Those who participate in the program waive their layoff rights, which include bumping rights, priority for rehire, regents' scholarship eligibility, use of the Career Transition Center, and the University's six-month subsidy of health care extended benefits.

For more information, call the Employee Benefits Department at 626-2000 or 1-800-756-2363.

The incentive programs offered

at Waseca are richer than the voluntary retirement and severance programs offered across the rest of the University system. The rationale is that closing the Waseca campus will create more hardships than at other campuses, where alternative employment options exist.

Other programs offered through the Career Transition Center, located in the University Technology Center, include workshops to enhance job-hunting skills, individualized career planning, individualized assistance for employees and their families, education to help enhance skills for a career change, and assistance for job searching within or outside the University system. Emphasis is on placement within the system. ■

□ NEWS

The events surrounding the search for a new chief information officer (CIO) are causing concern among the Senate Committee on Computing and Information Systems members.

Ettore Infante, senior vice president for academic affairs and provost for the Twin Cities campus, closed the CIO search July 18, then appointed Michael Skow as his deputy in managing computing affairs. Skow had been director of Academic Computing Services. Infante assumed the CIO responsibilities but not the title.

When the search was closed, a search committee had selected three candidates, one of whom had been offered the position but had declined. Mark Luker, who was acting CIO, was negotiating the position with former senior vice president Leonard Kuhl when Kuhl resigned June 28. After Infante closed the search, Luker returned to his position as assistant vice chancellor at Duluth without completing his term as acting CIO.

At its July 31 meeting, the senate committee expressed concern about the future of the CIO position and of Luker's plan to reorganize and rationalize computing services. Luker had apparently

planned to spend a year retraining staff who were involved in the reorganization.

A factor in the success of the reorganization and coordination of computing services, committee members said, was the trust and communication between the CIO and the computing areas, which had already been achieved by Luker. Another concern of the committee was the time requirements when combining the CIO role with the provost's responsibilities.

Infante said the CIO should report to the vice president for research, but that the selection of a CIO should take place after that vice presidency is filled. The committee's position is that the CIO should report to the president, not to the provost, because the position is central to the University computing services.

Committee members want to meet again in mid-September and invite Skow to the meeting.

Gordon Beavers, professor of aerospace engineering and mechanics, is the new acting dean of the Institute of Technology (IT). He replaced Infante, who is taking a leave of absence to serve a one-year appointment as senior vice president for academic affairs and provost of the Twin Cities campus.

Beavers joined the IT faculty in

1963 and has served as the college's associate dean for academic affairs since 1984. He received bachelor's, master's, and doctoral degrees from Cambridge University in England and a master's degree from Harvard University.

"Gordon Beavers is a distinguished scholar and teacher who is widely respected by his colleagues," says Anne Hopkins, vice provost for arts, sciences, and engineering. "He has strong and broad support throughout IT, and is intimately familiar with all of its operations and activities. It is important that the institute be able to move ahead with its plans and activities during this interim period, and Professor Beavers is just the person to make sure it does."

A nine-member task force has been appointed to assess the University's efforts to improve the safety of its Twin Cities campus parking facilities.

The ad hoc committee, appointed by Robert Erickson, senior vice president for finance and operations, was assembled in response to recent incidents of violence on campus. One such incident was an alleged sexual assault July 31 in Parking Ramp B, directly south of Coffman Memorial Union.

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Members of the task force are Theresa Robinson, transportation and general services director; Bob Baker, parking services manager; Edith Leyasmeyer, School of Public Health interim dean; Jamie Tiedemann, Sexual Violence Center

director; Linda Wilson, assistant to the director of the School of Journalism and Mass Communication; Janet Spector, special assistant to the director of the Equal Opportunity and Affirmative Action office; Stephanie Kuduk, student; Kate Maple, Human Ecology

Administration program director, and Paul Tschida, acting director of safety and security.

The committee is expected to make recommendations to Erickson by mid-September. ■

The Chair's Report will resume in the next issue

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FOOTNOTE

□ September 30, 1991

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On the Hiring Line

The University Fills Some Critical Positions But Loses Two Top Administrators

Some new faces have been showing up at the University's administrative levels, and these faces aren't from around these parts. The University has filled three key positions with people from New Mexico, Florida, and New York City. At the same time, some familiar faces were absent from the Twin Cities campus when fall-quarter classes began.

Among the administrative vacancies that were filled during the summer were the vice president for health sciences, the dean of the School of Public Health, and the dean of the College of Liberal Arts (CLA). And there are two finalists for the new vice president for research and Graduate School dean position. But by the summer's end, the University lost its general counsel and its men's athletic director.

The University accomplished a major feat by filling the position of vice president for health sciences after a three-year search. Robert E. Anderson, professor and head of pathology at the University of New Mexico School of Medicine, plans to be on the job by February 1.

"Dr. Anderson has the strong personal and professional qualities to assume this critical post during this time of change—change for the better—at the University of Minnesota," President Nils Hasselmo says. "The lengthy search process has been frustrating, but the outcome is worth it."

The appointment received unanimous endorsement from the Board of Regents but didn't escape controversy. Anderson's \$210,000 salary (\$150,000 from the University's general fund and \$60,000 from the medical practice

funds of the Department of Laboratory Medicine and Pathology) drew criticism from the local chapter of the American Federation of State, County, and Municipal Employees, which protested the high salary at a time when the administration is asking nearly all employees to accept a wage freeze.

Administrators say the salary is in line with the marketplace, where the average salary for CEOs of academic health centers at 47 public universities is \$185,000 a year.

Anderson will inherit many challenges, some of which are unique to the health sciences and some that face the University as a whole. "Keeping students as the primary focus of the institution is a key challenge," he says. "Sometimes it's easy to forget that."

Other challenges include keeping academic standards high, controlling research fraud, promoting women and minorities to health sciences leadership positions, and dealing with the competition among various health maintenance organizations. Also, "We need to have an appropriate number and a diverse number of patients to educate students appropriately," he says.

"Attracting good students and providing an appropriate mix of opportunities is another issue that faces all health sciences," he says.

Anderson's background should provide a good foundation for facing those challenges. He joined the University of New Mexico in 1964 and has chaired its pathology department since 1968. Before that, he was with the Atomic Bomb Casualty Commission in Hiroshima, Japan, where he first became interested in radiation injury. His most recent research centered around the effect of

ionizing radiation on subpopulations of white blood cells.

Anderson is a 1957 graduate of Case Western Reserve School of Medicine in Cleveland and a 1953 graduate of the College of Wooster in Ohio. He received his pathology training at University Hospitals in Cleveland and at the University of California-Los Angeles Medical Center.

In addition to his research accomplishments, Anderson is a member of the medical honorary society Alpha Omega Alpha and was a Markle Scholar in academic medicine. He is a member of the editorial board of the *Archives of Pathology and Laboratory Medicine* and an associate editor of *Human Pathology*. He has been associated with the National Board of Medical Examiners since 1981, first as a member, later as chair of the pathology test committee, and most recently as chair of a committee charged with redesigning the licensing exam administered nationwide to most medical students at the end of their sophomore year.

Anderson says he is impressed with the strength of both the health sciences department and the University as a whole. And even though his current employer and the University are miles apart geographically, he has been close to the University in other ways. His son, for instance, studied here and his wife, Sue Bartow, took a fellowship in surgical pathology at the University. He also applied for the position of dean of the Medical School eight years ago.

"I've always been impressed with the University," he says. "For a long time I've had it in my head to someday contribute my talents to the University of Minnesota."

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Hirings, from previous page

Anderson isn't the only administrator traveling halfway across the continent to take a new position. The new dean of the School of Public Health, Stephen C. Joseph, left New York City and joined the University in late July.

Joseph most recently has been writing books: one is on AIDS and another is a working perspective on public health. Before that he was the New York City health commissioner and held key posts in the federal Agency for International Development; the Department of Health, Education, and Welfare; the United Nation's Children's Fund; and Harvard University's School of Public Health, where he directed the office of international health programs.

He calls his road to the University a "natural evolution," a progression from serving as a policy-maker to developing future policy-makers. "Most of my professional

life I've been concerned with turning policy into practice," he says. "This is kind of going upstream for me, but it was a very attractive offer, one I couldn't pass up."

Joseph is impressed with the "enormous amount of productive excellence" at the University, but the chore that lies ahead for him is to increase that productive excellence and build on it during a time of severe budget constraints.

"The University and the School of Public Health are very strong," he says. "We have a strong, funded research base, which is important because what gets you through this period is building on your strengths. We need to focus on not letting short-term budget problems divert our attention from the long-term goals."

Joseph's long-term goals are many, he says, such as improving the public health program to a level of national excellence by developing public health leaders. He's also interested in addressing more environmental health issues and rebuilding the infectious disease epidemiology program. Epidemiology is experiencing a resurgence nationwide as a result of the AIDS epidemic.

As a public health practitioner and pediatrician, Joseph taught medical students and pediatric residents at Children's Hospital in Boston and Memorial University of Newfoundland, and public health students at Harvard. As the Agency for International Development's regional public health physician for Central West Africa, Joseph was professor of pediatrics and community health at the Yaounde, Cameroon, University Center for Health Sciences.

"Dr. Joseph has both extensive experience and a distinguished reputation in the field of public health," says Cherie Perlmutter, who was interim vice president for health sciences. "He will provide the kind of capable, dynamic leadership that will serve the school well as it builds on its tradition of quality and prepares to meet the public health challenges of the next decade."

Joseph received a bachelor's degree from Harvard in 1959, a doctorate from Yale in 1963, and a master's degree in public health from Johns Hopkins in 1968.

The new CLA dean is Julia Davis, who returned to the University of Minnesota after having taught a five-week summer course here several years ago. She left her position as associate provost at the University of South Florida in Tampa, where she worked since 1987.

Davis joined the University in July and has been on a "steep learning curve" ever since. "I'm astounded at the ability of the college and the faculty and staff to perform at the level they have with the level of support the college has received," she says. "Compared to other institutions across the country, we've done a lot more with less. I've developed so much confidence in the faculty, staff, and students that I'm really optimistic for the future."

Davis also spent 16 years working at the University of Iowa, where she chaired the department of speech pathology and audiology for five years and served as the College of Liberal Arts associate dean for two years. She has a doctorate in audiology from the University of Southern Mississippi and taught there from 1966 to 1971.

Davis says she's excited to be back at the University of Minnesota. "I look forward to the challenges of reallocation and restructuring. I think the commitment of President Hasselmo to move the University toward strengthening programs during times of budget constraints shows that the University has the strong leadership that it needs."

Not surprisingly, Davis says her biggest task is to develop a strategy for CLA that will maintain and build quality programs instead of allowing programs to suffer when resources are scarce. CLA will be the largest recipient of funds through the reallocation plan.

The Institute of Technology (IT) will also benefit from reallocation, but internal reallocation will present a challenge to the acting IT dean, Gordon Beavers, who assumed the position in July.

Beavers, professor of aerospace engineering and mechanics, replaces Ettore Infante, who is taking a leave of absence to accept a one-year appointment as senior vice president for academic affairs and

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Beavers joined the IT faculty in 1963 and has served as the college's associate dean for academic affairs since 1984. He received bachelor's, master's, and doctoral degrees from Cambridge University in England and a master's degree from Harvard.

A position that hasn't been filled is the new vice president for research and dean of the Graduate School. Hasselmo elected to combine the vice presidency for research with the deanship of the Graduate School about one year ago, when Graduate School Dean Robert Holt announced his retirement. "It is by no means an unusual structure in American research universities," Hasselmo says, "and I'm now even more strongly convinced that the time is right to take this step. The retirement of Dean Robert Holt has allowed us to conduct a national search that has been based, from the outset, on the combined job description."

The search has produced two finalists, Infante says, both of them from outside the University. He declined to release any more information on the finalists other than to say that they are "two very good people, but we're not sure we'll be able to land one. The two probabilities don't even add up to one."

Administrators are negotiating with the finalists and hope to make a decision within the next two months.

Walter V. Weyhmann, professor of physics and astronomy and associate dean of the Graduate School, is serving as acting dean until the position is filled.

The two roles—vice president and dean—mesh nicely because research is closely tied to the Graduate School, Infante says. And the University needs to coordinate the research funding that's available at the national level.

Searches are just beginning for two other top administrative positions that became vacant this summer when Rick Bay, men's athletic director, and General Counsel Surell Brady both resigned. Bay accepted a position with the Cleveland Indians baseball team, while Brady decided to return to Washington, D.C.

The leading candidate for Bay's job could be the interim athletic director, Dan Meinert, who was Bay's senior associate director since the pair came to the University three years ago from Ohio State

University. Hasselmo is assembling a search committee to replace Bay before January 1.

Unlike the men's athletic department, the general counsel position may go through some changes as a result of Brady's departure. Hasselmo asked Law School Dean Robert Stein to chair a review group to study the office and recommend changes. Beverly Ledbetter, vice president and general counsel at Brown University, has agreed to serve with Stein.

While the group studies the office, the University will conduct a nationwide search for Brady's successor. In October, Hasselmo will report to the Board of Regents on his plans for a national search and he may have a recommendation for an acting general counsel. He has already interviewed several potential candidates for that post.

"Ms. Brady has been a trusted adviser and colleague to me and to other members of the president's cabinet and the provost's council," Hasselmo says. "From the very outset, she participated actively and helpfully in the entire range of our discussions, raising not only the important legal and policy considerations, but also contributing to the full range of social and educational discussions. In short, she has contributed general counsel as well as legal counsel, and we have gained from her active involvement and good judgment." ■

A Zero Salary Increase is Making Labor Negotiations Difficult

Labor negotiations between the University and its five major bargaining groups are progressing but aren't getting any easier, according to Marsha Orr, the University's director of labor relations.

"This is a very difficult year to negotiate labor contracts," Orr says. "Given the University's fiscal condition and its commitment to future, long-term viability and excellence, impending layoffs and zero pay plans are a grim necessity.

"There is little interest by the unions in a zero salary increase for the first year (of the biennium),"

Orr says. "They are usually concerned that some members may believe their union representatives should have done better by them. However, the unions are working diligently to negotiate the best possible contract under the circumstances. Union representatives recognize that University chief negotiators are not misleading them about our fiscal condition or our need for a zero across-the-board pay plan, and while they are presently developing strategies to improve their chances for a better contract, they realize the University's limitations as, I believe, our employees also realize our current constraints."

The major bargaining units that are negotiating contracts are the University Police and the service and maintenance workers, both represented by the Teamsters; the University Education Association, which comprises Duluth and Waseca faculty only; and clerical workers and the nonprofessional health services staff, both represented by the American Federation of State, County, and Municipal Employees. All five of the bargaining groups are in mediation. ■

□ THE CHAIR'S REPORT

By Tom Scott

Chair, Faculty Consultative Committee

I seem to recall that, not so many years ago, fall at the University was a time of anticipation and eagerness. There were new students to be inspired and socialized, returning students to take up where they had left off some weeks before, leaves to turn color, and football at Memorial Stadium.

Some of this nostalgia is a consequence of a failing memory, but even if time past was not actually as good as one recalls, certainly it was different from what we face today. The 1991-92 school year may become one of the most important years in modern University history.

For the first time (since the Depression) we return this fall with no salary increases. For the first time ever, we are negotiating a labor contract with a large number of our civil service colleagues. For the first time in memory—perhaps ever—a governor has vetoed legislature-approved appropriations for the University.

While some of these problems are unique to the University, higher education in general cannot escape the turmoil. The legislature charged the Higher Education Coordinating

Board with reviewing the number of hours that faculty devote each week to student services, teaching, preparation, research, community services, and other functions. The report is due January 15, 1993.

The governor has appointed a blue ribbon committee to study postsecondary education and to give him a new vision for higher education in Minnesota. Curt Johnson, retiring director of the Citizens League, has summed things up this way: "Higher education, once a Minnesota hallmark, has become a prisoner of politics. And a first-class mess."

If current thinking prevails, the University will go to the legislature—in a nonbudget year—and ask for restoration of the \$23 million in special programs vetoed by the governor and additional millions to help finance some portion of a staff salary increase for 1992-93. Failing that, significant cuts will be required, including program and unit eliminations as well as additional "revenue-enhancement" measures.

In case you were gone for a few days this summer you might have missed the fact that we now have a new senior vice president for academic affairs and Twin Cities provost; a new vice president for health sciences; new deans for public health, liberal arts, education, and management; one less vice president; one less legal counsel; and one less men's athletic director.

Some things about autumn do not change. Students have returned to campus, the leaves are turning color, and football is being played, albeit not in the stadium. But much about this place is changing rapidly and profoundly and those changes will affect us all whether we want them to or not.

The University governance system will participate in helping to guide these changes this year. Most of that work will be done by the Faculty Consultative Committee members (whose names and phone numbers are listed below) and in the University Senate committees. The senate committees' agendas will be published in *Footnote* soon. *Footnote* will be a major means of reporting to you all, but it is a one-way communication device and we will need to hear from you. On behalf of the Faculty Consultative Committee, best wishes for the year.

FCC members:

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Paul Holm	(218) 281-6510
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FOOTNOTE

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FOOTNOTE

□ October 11, 1991

□ Volume 5, Number 5

□ Published by the Faculty Consultative Committee

A Message From the President:

Changing the University For the Better

Dear Colleagues,

There must have been a fall quarter in our history when a president welcomed faculty and staff back to campus after a thoroughly uneventful summer. He probably wore a beard and high collars.

Having only the timing of the message in common with that fortunate predecessor, I welcome back to our campuses those who have been away, and I welcome to a new academic year those who have been here through a thoroughly eventful summer. It is now clear that the University of Minnesota's long-planned intentions for institutional change have evolved into realities—and the timetable is accelerating.

We entered the summer of 1991 with an extraordinary set of mixed—and conflicting—developments.

On the positive side, we were ending a year in which the University's quality-improvement goals had been both reaffirmed in principle and reinforced in actions when the Board of Regents approved our five-year, \$58 million restructuring and reallocation plan. It was also a year when budget allocations and program improvements at the delivery level of teaching, research, and public service/outreach produced real and positive results.

In teaching, we continued to award more than 10,000 degrees a year. Even those students completing their degrees last year had begun to experience substantial improvements in areas of our most legendary problems. Their waiting lines were dramatically shorter, many of the transaction processes for dealing with "the system" were modernized, more efficient, and even more

friendly. Most had benefited from at least some upgraded instructional equipment, classrooms, and laboratories. Those who were only with us a few years may not have been fully aware of the changes, but their class sections were smaller, they found fewer sections closed by the time they registered, and their teaching assistants were better trained.

In short, if they measured their own University experience against the self-study and planning documents that started this exercise in institutional change a dozen years ago, they would find that the institution had changed, quite systematically fixing things that we knew were broken back then—things that we said we were going to fix.

The next generation of students—those enrolled now—will see a continuation and acceleration of these same improvements. Their classes will continue to get smaller, more sections of high-demand courses have been added, the large sections remaining—fewer and smaller every year—have been improved, more advisers are available, intercollegiate advising has been reorganized, and curriculum improvements have been—or are being—put in place. And, this is a generation of students who have, themselves, changed; they are better prepared for college work—as we have defined better preparation. Three-fourths of this year's freshmen have met all of the high school preparation requirements that we defined. Of those who have not, most lack only one course.

In research, last year marked continued growth. Public and private agencies who invest in

research continue to view University faculty and staff as people who can deliver. I believe it's particularly important to add that the University of Minnesota is increasingly seen as an institution with a broad view of talent—a view that goes well beyond the traditional disciplinary lines, searching out not only interdisciplinary academic talent, but also reaching out into the private sector and actively involving practitioners.

Those talent resources have been—and are being—reinforced with investments in the technical infrastructure (such as telecommunications) and in major research equipment (such as supercomputers, magnetic resonance imaging, and state-of-the-art, vibration-free, and clean-room laboratories).

Whether measured by peer approval, major publications, grants and contracts awarded, research expenditures, invention disclosures, patents, or licenses, the faculty's good work and the University's research and technology-transfer initiatives produced a good year last year, and we have every reason to be confident about this year.

In service, which is the most difficult part of our mission to measure because it is, by definition, so varied and diffuse, the numbers of constituents served could fill more space than I have. The most important comment I can make is that those units most directly responsible for public service and outreach activities have continued to perform one of the most important functions of a land-grant university—listening, both to the needs of the state we serve and to the teachers, researchers, schol-

President, next page

President, from previous page
ars, and artists who have the resources to address those needs. That's the key to responsive University service that makes the best use of University talents.

In my view, the essence of accountability is measuring and reporting the progress made in mission activities—teaching, research, and public service—the activities for which we are most directly responsible, the work that you perform. We have a strong case to make to Minnesotans that we are holding up our side of the bargain, making the improvements that we said we'd make—that we've planned to make.

We've just entered a biennium that puts our resolve to the most severe tests. Beginning with the self-imposed responsibilities of the five-year restructuring and reallocation plan, we are now faced with an appropriation cut of \$16 million for 1991-92, the governor's veto of

another \$23 million for next year (which we are seeking to restore fully), and a biennial loss of purchasing power (to faculty and staff as individuals, as well as to University departments) of \$44 million, because the 1991 appropriation bill provided no adjustments for inflation in supplies and salaries. And, as if all these weren't trouble enough, we have a deferred maintenance problem that grows by \$20 million every year—we have \$10 million a year to deal with needs that grow by \$30 million—and there is every reason to believe that the state's fiscal condition will permit precious little relief in the immediate future.

In the face of all these realities, the budget plan presented to the Board of Regents this week is an extraordinarily important document. It stays on course toward planned quality improvements, and it provides faculty and staff salary increases and inflation adjustments in supply budgets in the second year of the biennium, while also addressing the deferred-maintenance problem more aggressively.

This is a plan that won't be carried out without pain. Students and constituents will pay higher tuition and program fees. Programs and services will be curtailed or closed. Approximately 600 to 700 staff and faculty positions will be eliminated through early retirement, unfilled vacancies, and layoffs. On the latter, I must make it clear that we do not know the full impact or nature of position eliminations at this time. In some instances, we will not know these until next spring, since those responsible for program budgets must be given the flexibility to make full use of attrition before making final decisions on layoffs. One thing we do know, however, is that we will honor all contractual obligations to faculty and staff.

I thank you for your outstanding work in the past and look forward to working with you as we shape the future of this fine University. "The improvement of quality within limited resources"—the title of last spring's restructuring and reallocation plan—still remains our goal.

Welcome back! ■

FOOTNOTE

Volume 5, Number 5
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Managing Editor: Geoff Gorvin
Copy Editor: Nancy Rowe

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The University of Minnesota is committed to the policy that all persons shall have equal access to its programs, facilities, and employment without regard to race, religion, color, sex, national origin, handicap, age, veteran status, or sexual orientation.

The 1992-93 Budget Plan: A Capsulized Look

After months of anticipation and speculation, central administrators completed the University's budget plan for the 1992-93 biennium. The following is a summary of the plan, which went to the Board of Regents for information and discussion last Thursday.

The budget plan was built on the \$58 million reallocation and restructuring plan and decisions approved by the regents last summer. Two of those decisions were that faculty and staff would forgo salary increases this year and that tuition would be increased by 9 percent.

The budget plan, however, calls for adjustments that will provide faculty and staff with an average salary increase of 5 percent next year. That increase, in addition to a 5 percent inflationary increase for supplies and equipment, will cost the University \$47 million.

The University's plan is to fund a 3 percent salary increase for faculty and staff, then ask the state to fund an additional 2 percent increase. If the state doesn't fund the 2 percent increase, the University will cover it with higher tuition.

The University will fund the \$47 million through cutting expenditures and increasing revenues. One way the University wants to increase revenue is by raising tuition again—the budget calls for another 9 percent tuition increase next year, which will generate about \$15 million. That means the average undergraduate student's tuition will increase from about \$3,000 a year to \$3,270.

The budget report acknowledges the burden that another tuition increase will place on students, but it says the administration is committed to getting additional funds from the state to cover part of the

salary increases. If the state provides additional funding, general tuition will not be raised the full 9 percent next year.

After the tuition increase, the University will still need to raise \$32 million, \$23.24 million of which will be saved by eliminating positions. That figure is broken down in the following manner:

- **\$5.32 million through a major restructuring of central administration.** A new data-processing system will save the University \$1.25 million next year. Another \$1.25 million will be saved by combining Physical Planning and Facilities Management. Other restructuring includes eliminating the insurance office and combining functions in the controller's office, which will amount to savings of \$275,000. Also, some services such as window washing, trash collection, and daytime custodial services will be reduced to save \$1.5 million.

- **\$11.8 million from most units reporting to the vice presidents on the Twin Cities campus (\$10.3 million) and the chancellors of the Crookston (\$198,000) and Duluth (\$1.3 million) campuses.** These vice presidents and chancellors must reduce or eliminate programs by about 3 percent of their total budgets. The reductions, which will include the elimination of faculty and staff positions, must be consistent with University priorities. Therefore, the budgets of some departments will not be affected, while cuts in other departments will go deeper than 3 percent. Details of the reductions will be presented to the Board of Regents for discussion at its November meeting. Action will be taken in December.

Some units will be exempt from the reductions: the Carlson School of Management, the Law School, and the Humphrey Institute of Public Affairs, all of which are to fund salary and inflationary increases by adjusting their post-baccalaureate enrollments and tuition rates; and the Morris campus, where a 3 percent reduction is considered inappropriate and tuition will be increased.

- **\$6.07 million from reallocating about 6 percent of the state funding from state special programs to inflationary increases.** The amount of reductions for the state specials

is larger than 3 percent because tuition money cannot be used to fund inflationary increases for the specials.

Of the initial \$32 million the University needs to raise, the remaining \$8.76 million will come from tuition increases (\$5.33 million) and other nontuition revenue sources (\$3.43 million), as follows:

The University will stop funding some of its noninstructional programs, such as auxiliary and partially self-supporting activities that will have to become fully self-supporting. Recreational sports, Boynton Health Service, the Space Science Center, the University Press, technical service shops, and concerts and lectures will be affected but will probably recover the lost revenue by increasing user and student fees.

The increases in revenue include suspending interest payments to units for investing funds in the University's temporary investment pool. The University will save about \$2.6 million by suspending interest payments on the pool this year and by paying a lower rate than in the past when payments are resumed next year.

Select tuition increases will generate \$4.4 million on the Twin Cities campus. Most of that revenue—\$3 million—will come from a 25 percent tuition increase for nondegree-seeking students, including people who take courses for personal enrichment or to improve professional skills, and for Continuing Education and Extension and summer school courses. The revenue from this increase, the budget plan says, will eliminate the need for more program reductions and additional tuition increases for the majority of students—those pursuing a degree.

Tuition for postbaccalaureate professional degrees at the Carlson School, the Law School, and the Humphrey Institute will be increased to generate \$1.4 million. That money, along with increased enrollment if necessary, will fully fund salary and inflationary increases for faculty and staff in those programs. The University is also proposing a tuition increase for postbaccalaureate, departmental master's degree programs to at least

75 percent of the rate for graduate students. That increase, which would be phased in beginning next year, would affect the College of Agriculture, the School of Public Health, the Institute of Technology, and the College of Education.

As for individual campuses, the budget plan gave Crookston a vote of confidence. "We have decided that it is essential to continue the University's presence in northwestern Minnesota," it says. The University must make a decision about Crookston's future by the end of the biennium, but the possibilities look good, according to the plan. The administration is studying the viability of making Crookston a four-year institution.

The Duluth campus will be protected from any major budgetary reductions so that its strong base of quality programs can be sustained. The campus will have to fund half of its salary and inflationary increases but will not have to adjust its budget in other ways. The other half of the Duluth salary increase will be funded by tuition increases.

Tuition on the Morris campus will be increased by \$250 beyond the general tuition increase. This will mean an annual increase of about \$500 per student. The increase is expected to raise \$900,000 for salary and inflationary increases as well as for program expansion.

All in all, the University expects to lose about 700 jobs, two-thirds of which will be from the academic side and many of which will be vacant positions that won't be filled. "We cannot mitigate the loss of positions on our programs," the budget plan says. "We can limit the number of individuals affected by managing this process as carefully and creatively as possible, by encouraging early retirement, for example, and by taking maximum advantage of the turnover that normally occurs in the University's large work force—while also maintaining our programmatic priorities. It is for this reason that many details of the programmatic reductions that must take place are not yet known." ■

Here's How the Budget Figures Stack Up

— Program Reductions —

	<u>VPs, UMC, UMD</u>	<u>State Specials</u>	<u>Finance & Operations</u>	<u>Shift of Source</u>	<u>Targeted Tuition Increase</u>
Executive	\$172,590	\$178,836			
Academic Affairs	2,958,607	641,705		\$350,000	\$4,328,000
Law School					400,000
Education					100,000
Humphrey Inst					75,000
Management					723,000
CEE					2,500,000
Others				350,000	530,000
Health Sciences	2,698,337	1,352,076			99,100
Public Health					99,100
Ag, Forestry, Home Ec	480,382	3,325,385			2,900
Agriculture					2,900
Arts, Sciences, Eng	3,502,348	309,657			
Student Affairs	500,111	21,195		480,000	
External Relations	49,516			2,600,000	
Finance and Operations			\$5,320,000		
Bus and Fin Services			150,000		
Physical Planning			1,250,000		
Physical Plant			1,500,000		
AIS			1,250,000		
Other			170,000		
Statewide			1,000,000		
Crookston	198,028	3,935			
Duluth	1,292,137	229,195			
Morris		3,722			900,000
Totals	\$11,852,056	\$6,065,706	\$5,320,000	\$3,430,000	\$5,330,000

FOOTNOTE

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FOOTNOTE

☐ October 22, 1991

☐ Volume 5, Number 6

☐ Published by the Faculty Consultative Committee

Spreading the Good News

The University Embarks on a New Communication Campaign

Selling Minnesotans and legislators on the University's importance to the state has never been an easy task. When it comes time for the legislature to divvy up the dough every other year, they typically need to be reminded of what the University means to Minnesota.

The challenge the University is continually up against is the publicity legislators and the public have received—the good news versus the bad news, the University's accomplishments versus its downfalls.

This is—and has been for many years—a problem for central administrators. Bad news travels fast, which usually leaves administrators frustrated in their attempts to get out the good news about the University and its accomplishments to the state and the world.

Now, throw in a budget situation that has left the University scrambling to keep much-needed funding for state special programs that were cut by the legislature, and add a request by the University for money to fund salary increases next year, and you have a severe need for a communication plan.

This is why the University has embarked on a new communication campaign to educate the public, legislators, and faculty and staff members about the University's contribution to the state—its economic impact on Minnesota.

The University has conducted similar efforts in the past, but inconsistently, on a much smaller scale, and on a less formal basis. This campaign, which is still in its infant stages, will be comprehensive and consistent, and will use a data base that can be easily and quickly updated for use by just about anyone in the University system.

The campaign's timing relates to the constraints that have been imposed on the University by the reduction in state funding. "It's important to lay it all on the table more strongly now," President Nils Hasselmo says. "We need to make the University's case to the legislative leadership at a time of tight resources."

The University's communication campaign will serve another function as well. "We need to...measure the outcomes of the University to see where the University should place its resources," Hasselmo says.

The main message administrators want to communicate is that the University is different from the other higher education systems in the state, because it has a multiplier effect that is different from other systems: Every \$1 that the state invests in the University yields a return of \$2.50 in economic development throughout the state.

Communicating that message and others is the challenge facing the University. To help gather some firepower for those times when the University has a chance to toot its own horn, the University has devised a communication plan that has two basic components for gathering appropriate information: a report by a newly formed economic-impact committee and the University Relations Clearinghouse data base.

The data base is the brainchild of the University News Service, which recognized the University's need for an informational piece that would be more flexible than a single brochure and could draw information from a resource to fit a specific audience with specific interests in a specific part of the state. The data base needs to be easily updated and

the piece needs to be quickly produced as handouts.

The information—facts, figures, grants, gifts, awards, patents, research results, etc.—will be used as a basis for speeches, reports, and surveys, and to respond to requests from reporters, legislators, and the public.

For example, Hasselmo traveled to Crookston last month and took with him copies of a two-page fact sheet for his audiences and other interested individuals. The fact sheet included the following information:

The University's contributions to the state:

- The University developed 80 percent of all 1989 Minnesota agricultural exports, accounting for \$1.8 billion.
- The University received \$275.3 million in grants and contract research awards in 1990.
- 179,000 University books and articles were lent to libraries—70 percent in Minnesota.

The University's contributions to the world:

- The "black box" airplane flight recorder was developed by James Ryan, a mechanical engineering professor at the University from 1931 to 1963.
- A six-year study by the University's Water Resources Research Center is the country's only full-scale study on the impact of acid rain on freshwater lakes.
- The MMPI, a personality inventory widely used by counselors and employers, was developed at the University in 1942 and updated in 1989.

The University's contributions to the Red River Valley:

- The University is educating 1,563 students from the 16 counties

Communication, from previous page
in northwest Minnesota.

- 70 percent of graduates from the Crookston campus live in the valley and are employed in leadership positions in agricultural business and organizations.

- The Northwest Experiment Station's work in sugar beet production has led to environmentally sound production that costs less and has higher yields of better quality.

This information will be compiled on two- or four-page fact sheets that can be integrated with slides, overheads, and a new 10-minute video that will set the tone of the presentation by giving bite-size glimpses of the University, its accomplishments, its programs, and its people.

The information for the data base will come from various places, such as admissions and records, which has a wealth of facts and figures. But the data base needs

specific information on how the University affects the state. "The more specific, the better," says Pat Kaszuba, News Service managing editor. "We need to show that the University isn't an inaccessible ivory tower isolated in the Twin Cities."

University Relations is seeking the help of everyone in the University, as Kaszuba and University Relations director Marcia Fluer told the Faculty Consultative Committee earlier this month. "You get very involved in your own teaching and sometimes you don't realize some of the things that you can take out into the community and brag about," Fluer says. "Brag about yourself so that when we are asked for this information, we have up-to-date information on the great things that the University is doing."

Richard Heydinger, vice president for external relations, sent a letter to chancellors and Twin Cities deans asking them to help collect information for the data base by making one person in each college responsible for gathering information about the accomplishments of each unit, as well as its contributions to the quality of life in Minnesota, and submitting it to University Relations.

The type of information most needed is anecdotes—stories about University faculty, staff, or students and their accomplishments. Hasselmo and other University officials enjoy using anecdotes when giving speeches, Kaszuba says. "Everyone prefers to hear real-life stories about real-life people."

The data base is available through University Relations, which is trying to make the information accessible through the campuswide Ethernet computer system. If the Ethernet link works out, those who plan to give speeches or meet with the public, community leaders, or legislators will have direct access to the information, which would allow them to create their own fact sheets, prepare themselves for questions, and share some of the interesting information about the University.

"We're interested in having the information in one place and having it accessible to as many people as possible," Fluer says, adding that

University Relations will help compile information for anyone who asks and is preparing a list of questions that will help identify exactly what kind of information is needed for specific discussions.

New sources of information for the data base may come from the report being drafted by the economic impact committee, which is chaired by Ed Schuh, Humphrey Institute of Public Affairs dean. The committee is comprised of faculty members who have experience in economic-impact studies. They are collecting information and case studies, which will be compiled into a report that Schuh hopes to have completed by the end of November.

"One of my concerns has been that we drown people in numbers," Schuh says. "I'm writing an analytical piece that shows how the University contributes to society. At the end will be short case studies that will typify those contributions."

Hasselmo foresees the committee's report as a chance to reveal some untapped sources of additional information that can be used to highlight the University's economic impact. "I also see a lot of other documents being spun off from that document," he says.

An example of what may be generated as a result of the committee's report was the report completed last year by the Institute of Technology (IT) staff. The report revealed that more than 400 companies were started by IT graduates. Many of the companies are familiar to most: Cray Research, Control Data, Medtronic, and W.L. Gore & Associates (maker of Gore-Tex waterproof, breathable fabric).

These companies employ more than 100,000 people and generate annual sales in excess of \$10 billion.

The communication campaign, Hasselmo says, will be in full swing before the legislative session begins in January, when the University will need to be prepared to make a case for itself in hopes of recovering some of the funding that was cut by the state last year. ■

FOOTNOTE

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The First Wave of Proposed Program Cuts Hits the University

Some of the first proposed changes resulting from the University's budget situation are: consolidate the six Twin Cities campus computing centers; and cut the occupational therapy program and the College of Liberal Arts' (CLA) departments of humanities and linguistics.

The plan to consolidate the computing centers on the Twin Cities campus has caused a lot of concern campuswide. The Faculty Consultative Committee (FCC) also expressed concerns in a discussion of the proposal October 17 with Ettore Infante, senior vice president for academic affairs.

Infante's proposal, which is far from being finalized, is to consolidate the six centers, which have old mainframes that are incompatible with each other and need to be replaced anyway. The consolidation would involve laying off all of the centers' employees and turning the centers' computing services over to a private subsidiary of the University's Supercomputer Center. The Supercomputer Center would hire back about half the laid-off employees. The move is intended to improve the efficiency and effectiveness of the University's computing services.

Currently the six centers, which perform computing services for areas such as academic research and health sciences, employ about 330 full-time workers and cost about \$30 million a year. The proposal would decrease the computing cost by 30 percent and increase service, Infante says.

Employees who would not be hired back under the proposal would be mainly data-entry personnel, Infante says. But no determination has been made as to exactly which centers will be included in the consolidation. The micro-computing and networking centers may or may not be included.

Employees of the computer centers have been notified that they will be laid off December 31. Infante says he hopes the transition takes place by January 31 and that everyone in the computing centers will know the status of their situation by the middle of November.

Infante's proposal has caused panic throughout the computing centers. Many employees have called FCC members with concerns and questions.

FCC member Karen Louis, associate professor of educational policy and administration, said the proposal and the uncertainty that has accompanied it could cause the University to lose many of the most talented employees at the centers. "How do we prevent the most talented people from leaving during a time of chaos?" she asked Infante. "We'll be left with a system that can't function because we won't have anyone to run it."

Infante says the computing centers directors have been instructed to identify employees who will be needed to help complete the transition and run the new system.

The three main advantages of the proposal, Infante says, are: 1) The Supercomputer Center has the expertise to help with the transition and the new central operation; 2) The University will benefit from the economies of scale; and 3) The new center may sell computing services to other university systems throughout the state, which would enable the University to spread the overhead over a larger number of users.

FCC members agreed with Infante that consolidation is needed, but they were not satisfied with Infante's reasoning behind making the new center a private entity instead of keeping it under the University's control. They asked him to outline the proposal on paper and include the arguments for this move.

CLA dean Julia Davis is recommending that the University close the Departments of Humanities and Linguistics to provide funding for salary and inflationary increases next year.

To accomplish that, vacant faculty positions will not be filled right away and the college's budget will be adjusted by closing the two departments.

Humanities has 69 majors, 5 premajors, 8 faculty members, 2 civil service employees, and a budget of \$600,000.

Linguistics has 50 majors, 1 premajor, 12 faculty members, 3 civil service employees, and a budget of \$700,000.

Faculty and staff contracts will be honored under the proposed cuts. Tenured faculty, and faculty and staff who are protected by contracts, may be transferred to other units within the college, given early retirement benefits, or assisted in finding a position outside the University.

Students currently pursuing degrees in humanities or linguistics will be able to complete their degrees. Admission of new majors will be suspended pending completion of an ongoing review of all college degrees.

According to CLA, most colleges and universities don't have a humanities department because humanities are taught in many disciplines. In a number of colleges, linguists are found in different departments such as psychology, anthropology, or modern language. CLA is proposing that linguistics be included in its modern language department.

Rumors of the proposal to cut the occupational therapy program were confirmed earlier this month with a statement from David Brown, dean of the Medical School. The following is his statement:

"After careful review of its programs, the Medical School now considers that, in light of these difficult choices, the program in occupational therapy may have to be eliminated. This decision is a financial one and does not reflect either the fine quality of our occupational therapy program and its staff, nor the Medical School's high regard for rehabilitative medicine. In fact, we are committed to developing an innovative, multidisciplinary, contemporary program and are engaged in an intensive search for a person of stature to head our Department of Physical Medicine and Rehabilitation.

"Unfortunately, however, although occupational therapy is an important component of health care delivery, it is not essential to our

Budget, from previous page
 educational program in rehabilitative medicine. In many other states, such programs are sponsored by institutions that concentrate on undergraduate education rather than by medical schools or academic health centers. We are fortunate that another fine under-

graduate program in occupational therapy exists in the state, at the College of St. Catherine.

"We want to assure all students that they will be able to complete and graduate from the program on schedule without loss of quality as the program is phased out. We also want to assure our other allied

health baccalaureate degree programs, such as physical therapy and medical technology, that they will continue as important components of vital, approved, high-priority programs." ■

□ NEWS

The Faculty/Academic Staff Advocacy and Grievance Advisory Program offers ombuds service to University faculty and academic professional staff on all campuses.

Advocates help determine the appropriate means—self-help, negotiation or mediation, or the grievance process—to resolve work-related conflicts. They also help select advocates for formal grievance procedures.

The program's office is in the University Technology Center, 1313 Fifth St. S.E., Minneapolis. The office is open half-days during the week. For more information, call 627-4032.

Some University employees who have Group Health insurance will be able to select the University Family Practice Clinic as their primary medical care, but only during open enrollment (October 15 through November 15). A Family

Practice doctor will serve as your primary physician and will refer you, if necessary, to University specialists. If hospitalization is needed, you would use the University of Minnesota Hospital and Clinic (UMHC). If you are a current Group Health member, you can transfer to the Family Practice Clinic by calling (612) 623-8489 by December 1.

Those eligible for using the Family Practice Clinic must live in the following ZIP code areas:

55075
 55101-55109
 55111-55114
 55116-55120
 55128
 55150
 55343-55344
 55401-55419
 55421-55424
 55426-55430
 55435-55436
 55439
 55441-55442
 55450
 55454-55455

Those with State Health Plan insurance can use UMHC and its medical staff for both primary and specialty care without a referral. Some services, however, require prior approval. All UMHC physicians and services are part of the State Health Plan network.

In addition to State Health Plan and Group Health, the UMHC accepts a variety of health insurance plans, including Medicare and Medicare with supplemental insurance. It also has contracts with other health maintenance organizations (HMOs) and preferred-provider organizations (PPOs) for specialty services only. Contact your HMO or PPO for specifics on its policy and your ability to use UMHC and its medical staff. HMO patients must have authorization for each visit before receiving care at UMHC. ■

FOOTNOTE

University of Minnesota
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 Minneapolis, MN 55455

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 MRS PENELOPE J KROSCHE
 LIBRARY COLLECTIONS
 10 WA LIB
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MN
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FOOTNOTE

☐ November 5, 1991

☐ Volume 5, Number 7

☐ Published by the Faculty Consultative Committee

Computing Services:

An Outside Consultant Will Help the University Consolidate

Opinion at the University appears to be unanimous over at least one issue these days—the need for consolidating and streamlining computing services.

Nobody disputes the facts: outdated hardware, highly inefficient services, and duplication of services. The system is in severe need of cost effectiveness and economies of scale.

Determining the best way to streamline computing services throughout the University is the problem—a problem that created a lot of concern, frustration, uncertainty, and even outrage during the past month.

After announcing a highly unpopular proposal for consolidating six computing centers under a private subsidiary of the Minnesota Supercomputer Center, central administrators returned to the proverbial drawing board and decided that the best way to establish a consolidation plan was to use the expertise of an outside consultant. The search for a consultant is now under way.

The University sent out a request for proposal (RFP) this week in hopes of awarding a contract by November 20. Administrators expect to pay between \$100,000 and \$200,000 for the consultant's services.

The consultant will be asked to recommend a plan to consolidate the computer operations and technical support of Administrative Information Services (AIS), Academic Computing Services and Systems, the St. Paul Computer Center, and the Health Sciences Computer Center. The plan is due by the end of January.

The consultant will also be

directed to make recommendations on the long-term organization of all existing computing support groups. Those recommendations will be due March 15.

In a letter to the computing staff dated October 30, senior vice presidents Robert Erickson and Ettore Infante outlined this approach and said the RFP will request assurances from prospective consultants that they understand the University environment—academic as well as support and administrative services. The University will reserve the right to award the different components of the request separately if the responses to the RFP suggest that the University would benefit more from proceeding that way.

The letter also said central administrators tentatively agree that the consolidation process needs the following:

- A user's group of faculty, staff, and students to serve as a resource for the consultant
- A means of communication between employees and the consultant
- A delay in reopening the search for a permanent chief information officer until the consultant's recommendations have been received
- The president's agreement in principal to negotiate extending the severance-pay option for laid-off employees through June 30, 1992. Under the severance program, layoff notices must have been received by December 31, 1991, for employees to be eligible for severance pay. But, because computing consolidation will be delayed, computing staff won't receive layoff notices by that deadline. Details need to be

worked out to assure equitable treatment of all University employees.

"We believe this plan will enable us to move expeditiously toward a new organization that will reduce costs while at the same time improving service," the letter said.

The consultant will have its work cut out, Infante told the Senate Consultative Committee (SCC) October 31. "There are enormous turf battles taking place (in computing)," he said. "There isn't the kind of coherence in the organization that I'd like to see take place. I thought we'd bring in a consultant for us to respond to that."

Although the University has a wealth of computing expertise, an outside consulting firm is needed because too many special interests exist to accomplish a study in-house, says George Wilcox, chair of the Senate Committee on Computing and Information Systems.

SCC members agreed and urged that the consolidation planners draw on the technical expertise of University computing staff. They welcomed the formation of a user's group that includes faculty members.

SCC members were much more receptive to the plan to hire a consultant than the Faculty Consultative Committee (FCC) was to the original consolidation proposal October 17.

Central administration originally proposed to consolidate six computing centers: AIS, Academic Computing Services and Systems, the St. Paul Computer Center, the Health Sciences Computer Center, the Microcomputer and Workstation Networks Center, and Univer-

Computing, from previous page

sity Networking Services. Those centers would have been consolidated by January 1, 1992, and would have been placed under a newly created private subsidiary of the Minnesota Supercomputer Center. All of the employees—some 320 total—would have been laid off by the University, but many would have been rehired by the subsidiary.

The proposal caused an uproar, not only by the computing staff but also by many others throughout the University who were concerned about a disruption of service, loss of the best computing staff members, and a potentially high cost for academic computing.

Central administrators realized the unpopularity of the proposal during the consulting process, Infante says. One of the biggest factors in withdrawing the proposal was the employees' desire to remain University employees.

"The level of comfort was just not there," Erickson says. "There

needs to be a comfort level between the (Supercomputer Center and the consolidated centers), but after we started working through the details, it was apparent that that comfort level didn't exist."

In a letter to the computing and information services staff, Erickson and Infante said, "We regret the additional personal concerns and uncertainties caused by the public discussion of the plan for the consolidation of computer resources. The basic thrust of consolidation and streamlining of computing activities remains in place and we ask for your help and cooperation with its detailed planning and implementation."

Meanwhile, uncertainty and concern still exist among computing services staff despite the withdrawal of the original proposal and the announcement that the University would use a consultant. But resignations have been few and services have remained relatively free of disruption.

"The latest news has put things on the more positive side for the staff," says Mike Skow, academic affairs deputy for computing activities. "I haven't heard of any loss of service. That's the most important thing; I think the University as a whole didn't suffer, the individual staff members suffered. Keeping current and providing service is our business. We have a good reputation for keeping service going during change."

Even though the University's salary situation is unfavorable for staff members, the computing services staff—even the University's best computing staff members—are staying for altruistic reasons, Skow says.

"As tight as the job market is, the very best are still very marketable," Skow says. "But I think they're waiting for the next step (in the reorganizational process)."

Skow and AIS director Tim Fitzpatrick were involved in drafting the RFP for the consultant search.

"Uncertainty persists mainly because the manner in which computing will be reorganized has not been decided," Fitzpatrick says. "We have had some resignations recently and we have to presume

that they had something to do with the uncertainty. But I believe that the employees have set aside the confusion of this and have dedicated themselves to the work at hand.

"Many people work here at the University because they believe in the values of the University and believe in the University mission," he says. "When they were told that they wouldn't be University employees, that hurt people because they chose to identify themselves with the University."

Lee Croatt, director of software services, agrees. "While the plan is developing, people will be concerned. There has been decreased productivity to some extent, but the whole issue has settled down and now we've seen productivity increase again. We will suffer until some institutional change is implemented."

The University has not been without other reorganization proposals. Wilcox has offered Infante a proposal, and the University received suggested changes from the candidates for the chief information officer (CIO) position when that search process had narrowed the field to five candidates. Each candidate was asked to assess the University's computing services and offer potential changes to the organizational structure.

Wilcox's proposal relies on distributed computing and centralized systems, two areas that the CIO would oversee along with the Supercomputer Center and telecommunications.

Distributed computing would include the microcomputer center, which is a group of staff members who help users; it involves no hardware. The centralized systems would be a consolidation of AIS, Academic Computing Services and Systems, the St. Paul Computer Center, the Health Sciences Computer Center, and the library's computing services.

In Wilcox's proposal, the CIO would report directly to the president and all computing services would be free.

Wilcox says he has discussed his proposal with Infante, who has taken it under advisement. ■

FOOTNOTE

Volume 5, Number 7
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The University of Minnesota is committed to the policy that all persons shall have equal access to its programs, facilities, and employment without regard to race, religion, color, sex, national origin, handicap, age, veteran status, or sexual orientation.

1991-92 Senate Committee Agendas

All-University Honors Committee

Chair: Fred Lukermann, *Geography, 414 SocSci, 625-7396*

- Review nominations for University honors, building names, and Outstanding Achievement Awards

Committee on Committees

Chair: Geoffrey Maruyama, *Educational Psychology, 250 BuH, 624-3315*

- Nominate faculty, academic professional, and student members to senate committees
- Review senate committees and recommend changes in committee structure, charge, or membership, if appropriate

Computing and Information Systems Committee

Chair: George Wilcox, *Pharmacology, 3-260 MlrDH, 625-1474*

- Discuss reorganization plan for University computing
- Address search criteria for chief information officer position
- Improve student access to computing
- Establish a group to evaluate new programs and hardware

Consultative Committee

Chair: Thomas Scott, *Center for Urban and Regional Affairs, 330 HHCtr, 625-1551*

- Executive committee of the senate

Educational Policy Committee (SCEP)

Chair: Stanford Lehmberg, *History, 614 SocSci, 624-7565*

- Monitor educational implications of University budget plans
- Monitor creation of Council on Liberal Education and implementation of liberal education requirements
- Discuss the teaching evaluation process and possibly propose appropriate procedures
- Discuss sabbatical policy (proposal already made by SCFA) as well as qualifications for Bush Sabbaticals
- Consider Universitywide policies on making up academic work missed for legitimate reasons, administering final examinations at times other than the final examination period, and responsibilities of academic advisers
- Consider and approve University calendars
- Monitor relations with ROTC and the faculty committee on ROTC (Curtis Norenberg, chair)
- Monitor educational implications of intercollegiate athletics, working with the Intercollegiate Athletics Committee

Equal Employment Opportunity for Women Committee (EOWC)

Chair: Becky Kroll, *University College, 7 WullH, 624-2004*

- Review committee materials on parental/family leave policies and strategies for disseminating that information

- Discuss "tenure clock" policies given parental responsibilities
- Discuss the impact that the Waseca campus closing, retrenchments, and reallocation will have on women
- Discuss monitoring salary equity during the post-Rajendar era

Faculty Affairs Committee (SCFA)

Chair: Avner Ben-Ner, *Industrial Relations, 537 Mgmt/Econ, 624-0867*

- Evaluate the desirability of a document on faculty rights and responsibilities
- Follow the legislative audit on faculty activities
- Examine internal consulting rules
- Review Faculty/Academic Staff Advocacy and Grievance Advisory Program
- Review Ombuds Committee proposal
- Review process of administrative receivership of departments
- Evaluate health plan proposals
- Monitor performance of Faculty Retirement Plan
- Review proposals from Performance Appraisal and Salary Increases Working Group
- Review fringe benefit rate structure

Finance and Planning Committee

Chair: Burton Shapiro, *Oral Biology, 17-266 MoosT, 624-3991*

- Discuss the 1991-92 budget and the manner of dealing with the \$32 million in cuts
- Discuss charging for space
- Discuss deferred maintenance and life, safety, and fire improvements
- Discuss organizational changes in finance and operations and the rationale for them
- Discuss financing facilities
- Discuss the division of labor on planning and budgeting between academic affairs and finance and operations
- Discuss the 1992 capital request
- Discuss identifying utilities and maintenance funding for buildings constructed with private funds, especially the art museum
- Discuss the Health Care Task Force recommendations
- Review the reallocation within finance and operations; where the funds are coming from
- Discuss steam provider contracts; will be taken up first by the Subcommittee on Physical Plant and Space Allocation and then brought to full committee
- Discuss salary issues, including equity within the system and a follow-up report of the ad hoc working group on salary structures
- Discuss replacing the Average Cost Funding Matrix with other legislative approaches to funding higher education, such as changing the percent of instructional costs paid by tuition
- Give greater attention to planning issues, such as enrollment and MSPAN

Judicial Committee

Chair: David Ward, Sociology, 909 SocSci, 624-9085

- Hear two unprecedented cases with a third pending
- Consider modifications of the rules to reduce delays in judicial committee proceedings

Library Committee

Chair: Douglas Pratt, Plant Biology, 220 BioSci, 625-8258

- Review new lending policies and sanctions
- Discuss the library's role in disseminating the results of University research using technology

Physical Plant and Space Allocation Subcommittee

Chair: Mary Sue Simmons, University College, 201 WesH, 624-4020

- Discuss and analyze the merger of facilities management and physical planning
- Review and discuss status of zone management procedures and services
- Review progress of University Building Energy Efficiency Project (UBEEP)
- Monitor and analyze contracts submitted by vendors to provide steam service for the University

Research Committee

Chair: Irwin Rubenstein, Plant Biology, 220 BioSci, 625-1234

- Review policies and procedures for dealing with misconduct in research and scholarly activities
- Review and discuss the indirect cost recovery policy
- Discuss academic freedom

Services for the Handicapped Committee

Chair: Corinne Ellingham, Physical Medicine and Rehabilitation, Box 297 Mayo, 626-3554

- Improve the coordination and consultation on disability issues for all University campuses
- Assist in developing a policy statement by the Board of Regents on services for people with disabilities
- Develop guidelines for faculty working with people with disabilities

- Refine 1991 Policies and Procedures on Access of People with Disabilities to address central administration's obligations

Social Concerns Committee

Chair: Norman Bowie, Management, 837 Mgmt/Econ, 626-7430

- Review reports of the Select Committee on Gay, Lesbian, and Bisexual Concerns, charged to conduct a thorough assessment of campus climate as experienced by gays, lesbians, and bisexuals
- Evaluate the issue of tobacco on campus
- Review, and consult with central administration on, shareholders' resolutions

Student Affairs Committee

Chair: Earl Nolting, CEE Counseling, 314 NCCE, 625-7576

- Review Student Conduct Code revisions
- Review Student Organization Handbook revisions
- Consult on budgetary reallocation for the Office of the Vice President for Student Affairs, including restructuring the admissions office and West Bank and Coffman Memorial Unions
- Consult on Boynton services and fees
- Consult on the University's climate for students of color
- Consult on the new initiatives being developed by student affairs for women students and community building

University College Assembly

Chair: Walter Johnson, Physics, 148 Phys, 624-0802

- Final adoption of a revised constitution for University College
- Provide advice on budget changes
- Develop plans to increase and enhance faculty involvement in University College
- Study how the new liberal education requirements will influence the University College curriculum
- Discuss the impact of new tuition policies on University College

FOOTNOTE

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400531220
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FOOTNOTE

□ November 19, 1991

□ Volume 5, Number 8

□ Published by the Faculty Consultative Committee

The 1992-93 Budget Plan:

Will Program Cuts Be Across-the-Board or Differential?

The 1992-93 biennial budget plan was unveiled earlier this month. Surprises were minimal, details were scarce, and there is somewhat of a general feeling of frustration among faculty concerning some of the content.

The budget plan contains the information that central administration has repeated for months: reallocation and restructuring will continue at an accelerated rate, 5 percent salary increases can be expected next year, tuition needs to be increased by an average of 9 percent next year, and deep program cuts would cover the salary increases and compensate for state funding reductions.

The Board of Regents discussed the plan at its November 7 meeting and is scheduled to take action on the plan in December. The actual budget won't be ready until next summer.

Central administrators are proposing that the University eliminate \$24 million worth of programs and positions to bridge the funding gap between the proposed \$637 million in 1992-93 University revenues and the \$661 million that would have been needed to sustain the current program level.

A total of \$47 million is needed to cover next year's proposed salary and inflationary increases. Central administrators may have struck a nerve in the way they're planning to fund these increases. A 9 percent general tuition increase would generate \$15 million; targeted tuition and enrollment increases would raise another \$5 million; and \$3.4 million would be generated through other nontuition revenue sources. The remaining \$24 million would come from the program

reductions mentioned above, including a 3 percent reduction in programs in most units reporting to vice presidents on the Twin Cities campus and chancellors of the Crookston and Duluth campuses.

Some members of the Senate Committee for Finance and Planning say that the program reductions at the vice presidential level are across-the-board, despite repeated assurances from central administrators that that wouldn't happen. "The cuts were substantially more across-the-board than differential," says committee member Charles Speaks, chair of the Department of Communication Disorders. "We were told that it would not be across-the-board and that this budget plan would convince us of that. But I'm not convinced."

The cuts were a "political cop-out," says committee member and law professor Fred Morrison. And the impact of relying on attrition to eliminate positions is similar to an across-the-board hiring freeze, he says. "The lion roared and produced a mouse."

Part of the problem with the plan is that it was supposed to show pain throughout all collegiate units, says committee member Virginia Gray, a political science professor. But the only visible pain is the proposed elimination of the Department of Humanities, the Department of Linguistics, and the Occupational Therapy Program. "That's not a lot of pain," she says. "What we're doing may be the most responsible way but it doesn't have political punch."

The Occupational Therapy Program is an example of the difficult test that central administrators apply to programs to determine if they should be cut, Presi-

dent Nils Hasselmo says. Occupational Therapy passed the test for four of the five criteria established by central administration—quality, uniqueness, demand, and effectiveness and efficiency. But it failed in the centrality issue. "It doesn't feed any other programs," Hasselmo says. But the story may not be over. "We're trying to find a solution that would make it possible not to take this step."

The budget plan has been a hot topic of debate among the Faculty Consultative Committee (FCC) as well. The issues that affect faculty—salaries being among them—have generated a lot of concern, FCC chair Tom Scott told the regents.

Scott agrees with the finance and planning committee that faculty are concerned with what appear to be across-the-board program cuts.

"There are faculty who think cuts should be more draconian. There are others who believe they should be spread out more. But I think that in general we are moving in the right direction. I think there is agreement on that."

Central administrators recognize the concern about across-the-board cuts. In his letter to the regents Hasselmo says that the level of program cuts varies among colleges when budgetary decisions made during the previous and current biennium are factored in. Also, the reallocation and restructuring plan needs to be considered, as do the budgetary benefits to the Morris campus, the Law School, the Carlson School of Management, and the Humphrey Institute, all of which are being recommended for targeted tuition and enrollment increases to cover some of their

Budget, from previous page
inflationary increases.

"There is widespread faculty support for the broad directions the budget planning is taking," Scott says. "I am persuaded that when you look at those cuts in combination with reallocation plans, we have made a lot of progress."

A big concern for faculty is the decline in state and federal funding for higher education, a trend that is slowly dismantling "the envy of the rest of the world," Scott says. "What is deeply troubling is the gnawing sense that we are bit by bit undoing what we have all worked so hard to build. The long-term costs of that loss are really beyond calculation."

Central administrators reconfigured the number of positions that would be cut through the budget plan. Finance and operations and academic units would each lose 200 positions. Most of the academic positions cut would be faculty

positions, and most of those would be positions held by faculty about to retire. The number of collegiate positions eliminated would have been higher if more had been low-paying civil service positions, Hasselmo says.

The University originally estimated that 600 to 700 positions would be cut. But many of those positions may be saved because of proposed tuition increases and by shifting some activities to nonstate fund sources. If those increases and transfers are not implemented, additional positions might be cut—to the tune of one position for every \$50,000 needed. "At this point, given the plans in the academic units, we are confident that most of these positions can be saved," Hasselmo wrote in the letter.

Concerning salaries, the proposed 5 percent increase for next year still would not allow faculty and staff to keep up with inflation, which is expected to increase by at least 7 percent over the biennium.

According to the Association of American Universities, the average salary increase this year was 2.2 percent among Big Ten institutions and 2.44 percent among the larger group of reporting institutions. Estimates for the biennium are that faculty salaries at other institutions will increase by more than 5 percent. An average increase of 5 percent at the University would result in some loss of competitive position, probably by about 1 percent, according to central administration.

"There's serious concern among faculty about the University's ability to remain competitive," Scott says. "We face the dangers of losing our best and brightest faculty. We want the University to be the best it can possibly be, and while salaries are not everything, they are important."

One of the assumptions that central administrators are working under is that the legislature will override the governor's vetoes of \$23 million in state special appropriations. If the vetoes are not overridden, the University will not raise tuition to save the special programs, meaning they would face the threat of closing.

All of the state specials are feeling the crunch in the budget plan. They were already reduced by 2 percent this year as a result of state funding reductions and they may be reduced another 6 percent next year to fund salary and inflationary increases. The University chose not to use the tuition increase to cover those increases.

An example of the severity of the budget situation is the Minnesota Extension Service, which is proposing \$2.3 million in program cuts to cover an erosion in federal funding and the loss of state special funding. Nearly all of the extension service's state funding comes through the state special. "We have no immediate solution to this problem," Hasselmo says. "Levels of funding aside, we need to engage in discussions with the legislature concerning the structure of the University's appropriations for instructional, research, and service activities.

"Considered individually, there is nothing pleasing about the major components of the 1992-93 budget plan," the letter says. "The proposed increases in tuition are high. The increases in salary are not enough to compensate for lost purchasing power over the two-year period. The programmatic reductions are deep. Considered together, we believe that the budget plan proposes an appropriate balance among these components." ■

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Computing Update

Central administration delayed sending out request for proposals (RFP) to find a consultant who would recommend ways for the University to restructure and consolidate computing services for increased efficiency and effectiveness.

The time frame for writing the RFP, sending it out, and hiring a consultant may have been too optimistic, says Mike Skow of academic affairs. Administrators need to decide on a new time frame, those who will write the RFP, and the University's needs.

Proposed Budget Changes, 1992-93

<u>Unit/Action</u>	<u>Amount Raised</u>	<u>Unit/Action</u>	<u>Amount Raised</u>
Law School		University College	
• Increase tuition 8.8 percent*	\$322,000	• Cut one P&A post in Individualized Learning	\$35,000
Humphrey Institute of Public Affairs		Undergraduate Initiative and support of arts, sciences, and engineering colleges	
• Increase tuition 10 percent*	\$84,000	• Cut discretionary, nonpersonnel support	\$77,000
• State special programs contingency	\$9,000	Vice provost's office	
Carlson School of Management		• Reduce open assoc. vice provost post to part-time ...	\$18,000
• Increase MBA tuition 9 percent*	\$419,000	Medical School	
• State special programs contingency	\$70,000	• Transfer positions to nonstate support and/or reduce programs	\$1,160,000
College of Education		• Drop Occupational Therapy Program	\$375,000
• Reduce faculty positions in social studies, counseling psychology, research methodology, and adult, physical, and English education	\$243,000	School of Dentistry	
• Drop Educational Research Ofc, MN Ctr on Economic Education, Educational Policy and Administration Research Ctr, and the College Student Teaching Ofc	\$205,000	• Cut 5-7 faculty positions through retirements	\$363,000
Graduate School		College of Pharmacy	
• Transfer Shepherd Labs research support staff to nonstate support	\$264,000	• Reduce faculty expenditures through transfer to endowment funds and/or reductions at affiliated hospital sites	\$72,000
• Eliminate unassigned instructional funds	\$64,000	• Cut 2-3 civil service posts in development, central supplies, and student support	\$55,000
• State special programs contingency	\$74,000	School of Nursing	
Continuing Education and Extension		• Cut one open faculty position	\$85,000
• Increase tuition revenue	\$1,400,000	• Reduce civil service positions in student services	\$18,000
• Reduce P&A and civil service staff; transfer some funding for Concerts and Lectures to nonstate sources	\$425,000	School of Public Health	
Summer Session		• Reduce support staff	\$214,000
• Increase tuition revenues	\$600,000	College of Veterinary Medicine	
• Reduce P&A and civil service staff	\$22,000	• Cut 3-5 faculty positions**	\$240,000
College of Liberal Arts		• Reduce civil service positions and technical and administrative support	\$140,000
• Cut 13-17 faculty positions** and one P&A position in administration in 1992-93	\$890,000	• Charge fees for Vet Teaching Hospital, Small Animal Clinic	\$80,000
• Cut 5-7 faculty positions** in 1993-94	\$315,000	Duluth Medical School	
• Close Humanities and Linguistics	\$170,000	• Cut one open faculty, one civil service position	\$131,000
• Cut 4-8 teaching assistant positions	\$100,000	College of Agriculture and branch stations	
Institute of Technology		• Reduce support for the Agricultural Experiment Station in Rosemount	\$500,000
• Cut 16-20 faculty positions**	\$1,380,000	• Cut 4-5 faculty and P&A posts (phase out research) in plant sci, swine, soils, entomology	\$350,000
• State special programs contingency	\$222,000	• Reduce support for teaching and research in nonfood production programs	\$250,000
College of Biological Sciences		• Reduce support funding for branch stations	\$200,000
• Transfer Bell Museum's public programs to nonstate support. Bridge funding of \$220,000 in 1992-93 and \$110,000 in 1993-94 from the dean's discretionary funds	\$220,000	College of Natural Resources	
• Replace faculty retirements and resignations in genetics and cell biology, biochemistry, the Gray Freshwater Biological Institute, and the Bell Museum	\$71,000	• Cut 2 open faculty positions in forest wildlife interactions and remote sensing	\$100,000
• State special programs contingency for Bell Museum, BioProcess Technology Institute	\$87,000	• Reduce P&A and civil service positions	\$31,000
General College		• Miscellaneous savings from new project funds and unassigned instructional funds	\$35,000
• Reduce faculty expenditures through retirement and transfer to other funds	\$90,000	College of Human Ecology	
• Eliminate class sections	\$10,000	• Cut faculty, P&A, civil service in the Ctr for Youth Development and Research, elsewhere	\$224,000
• Reduce P&A and civil service positions	\$50,000	Minnesota Extension Service	
College of Architecture and Landscape Architecture		• Cut 25-35 county agent P&A positions	\$760,000
• Reduce faculty expenditures through use of part-time and adjunct faculty	\$45,000	• Cut 12-14 faculty, 25-35 P&A and civil service posts in vet med, ag, home ec, natural resources, and Department of Extension	\$1,500,000
• Restructure civil service posts in architecture	\$14,000		
• Transfer activities to nonstate resources	\$12,000		

* Tuition increase in addition to the general 9 percent tuition increase.

** Through retirement and resignation

<u>Unit/Action</u>	<u>Amount Raised</u>
Institute of Ag, Forestry, and Home Economics administration and director, Ag Experiment Station	
• Reduce civil service and P&A positions	\$53,000
• Cut support for positions in St. Paul Computing Services	\$66,000
• Adjust state special support: College of Vet Med, College of Bio Sciences, rural sociology, Educational Development Systems	\$100,000
Crookston	
• Cut 3-5 faculty positions in Ofc Systems Mgmt and Mechanized Ag, reduce civil service posts	\$125,000
• Cut 2-3 civil service posts in transportation pool, telephone system, maintenance, Counseling and Career Center	\$75,000
• State special programs contingency	\$4,000
Duluth	
• Reduce 3-5 staff positions in Development, chancellor's ofc, Academic Support, Student Life; reduce 4-6 staff in finance and operations	\$299,000
• Reduce staff and/or other support in Achievement Ctr, Info Services, vice chancellor's office	\$117,000
• Cut 5-7 faculty positions in education and human service professions**; reduce funding for clinical supervision project	\$380,000
• Cut 1-2 faculty posts in science and engineering**, restructure open support positions	\$120,000
• Cut 1-2 faculty and 1-2 staff positions in liberal arts**	\$150,000
• Cut 1-2 faculty positions in business and economics**	\$100,000
• Cut half of a faculty position in fine arts**	\$30,000
• State special programs contingency	\$229,000
Morris	
• Increase tuition \$250 per student*	\$450,000
• State special programs contingency	\$4,000
Vice President for Student Affairs	
• Cut coordinator of student support services, 1 assoc. vp, 1 assistant vp	\$190,000

<u>Unit/Action</u>	<u>Amount Raised</u>
• Reduce staff in counseling services, charge fees for some services	\$130,000
• Reduce support for Information Services and Financial Aid Office	\$180,000
• State special programs contingency	\$21,000
Executive administration, academic affairs, and External Relations	
• Reorganize TC campus data processing	\$611,000
• Cut 1 assoc. vp in academic affairs	\$127,000
• Freeze hiring in libraries, transfer staff	\$277,000
• Close biochemistry & Bell Museum libraries	\$68,000
• Reduce hours of smaller branch libraries	\$15,000
• Consolidate library services	\$50,000
• Transfer Shepherd Labs support staff to nonstate funds	\$246,000
• Cut 2 positions in U Relations, Alumni Relations; reduce temporary staff expenditures	\$156,000
• State special programs contingency	\$486,000
Senior Vice President for Finance and Operations	
• Reorganize TC campus data processing	\$1,250,000
• Consolidate Physical Planning and Facilities Management	\$1,250,000
• Drop the Insurance Office, consolidate accounts receivable in Controller's Office with Bursar's Office, transfer property accounting to Stores and Inventory Services	\$150,000
• Reduce custodial, maintenance services	\$1,500,000
• Move telecommunications to full-cost basis	\$850,000
• Move treasury functions to full-cost basis	\$150,000
• Transfer Route 52 overhead to nonstate support, make other miscellaneous transfers	\$170,000

* Tuition increase in addition to the general 9 percent tuition increase.

** Through retirement and resignation

FOOTNOTE

University of Minnesota
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Budget Plan Details

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400531220
MRS PENELOPE J KROSCHE
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FOOTNOTE

December 3, 1991

Volume 5, Number 9

Published by the Faculty Consultative Committee

Beyond Academics:

Budget Changes in Finance and Operations Will Affect Faculty

It's not surprising that most of the attention these days is focused on the academic side of the 1992-93 budget plan. Programs are being cut and positions eliminated, causing everyone to monitor budget developments to see how changes will affect them.

But there's another side to the budget plan that isn't getting as much attention—and maybe should. Some major changes are taking place in finance and operations that directly affect faculty, staff, and administrators and have major implications for the University as a whole.

Two of the biggest changes under finance and operations, each expected to save the University about \$1.25 million a year, are: 1) changing the University's financial system over to the College and University Finance System (CUFS); and 2) consolidating Physical Planning and Facilities Management.

In all, finance and operations is slated to cut expenses by \$5.3 million next year: in addition to the \$2.5 million mentioned above, \$1.5 million by reducing custodial and maintenance services in Facilities Management, \$150,000 by eliminating the insurance office and consolidating some accounting functions, \$850,000 by moving telecommunications to a self-supporting basis, and \$170,000 by transferring costs of bus Route 52 to nonstate support.

CUFS, part of a \$13 million Financial Management Systems Project, has been up and running since November 4. It will improve budgeting, planning, financial reporting, and control systems by replacing an outdated 20-year-old system that administrators say was

marginally adequate at best.

The old system proved inadequate for many departments, which developed their own systems—called shadow systems—to better manage their finances. But that resulted in departments and colleges spending a significant amount of time and money to maintain their information and ensure its accuracy, which ultimately resulted in duplication.

CUFS will eliminate the need for shadow systems since departments and colleges will be able to customize their own account structures to serve their specific needs. At the same time, their account structures and reporting capabilities will be consistent with all other University units. And all functions within the CUFS system share the same database.

More importantly to some, CUFS will reduce paperwork and duplication by decreasing the number of forms needed to do business within the University and by offering on-line accounting that will permit users to enter and receive accounting transactions by computer and receive electronic approval of transactions.

The result for departments and colleges will be improved productivity and increased efficiency, because financial information will always be current and accurate.

CUFS will provide:

- improved data integrity: accurate, consistent, and timely data
- improved information access to help in financial-management decisions
- improved reporting capabilities: both customized and standardized reporting
- increased flexibility that allows units to store valuable information

and extract it for reporting purposes

- improved control: the system will reject invalid account numbers

The transition to CUFS, so far, has been very successful, says Dave Minkkinen, Financial Management Systems communications coordinator. In fact, central administration processed 4,000 invoices the first day CUFS was in use. "The implementation went well," he says. "We haven't found as many bugs as we thought we'd find."

The system's success thus far can be attributed to two main factors, Minkkinen says: first, the University conducted intense testing for several months before implementation to work out the bugs; and secondly, all transactions before November 4 were processed before the new system was implemented, which avoided a backlog of documents.

Although the transition has been relatively trouble-free to date, Minkkinen doesn't expect everyone to be comfortable with the new system until late next summer at the earliest. Training sessions are still being conducted throughout campus and Minkkinen's office is still facing a daily barrage of questions. (The CUFS help line is 624-1617.) And, as can be expected, the level of acceptance of the new system has run the gamut from, "The University should have implemented this system years ago," to, "This system doesn't work and doesn't meet my needs."

Minkkinen encourages everyone to exercise a little patience and understanding during the transition period. "Centrally, things are going well," he says. "However, in departments and colleges, it's going to take some time."

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Departments and colleges are still familiarizing themselves with the new processes, forms, reports, and set of account numbers. They're learning the best way to set up new account structures, what individual forms are needed, and new terminology, which has proven to be one of the most difficult aspects of the new system for many people. Because colleges and departments are so diverse in their needs, no consistent application involving forms, reports, or account structures exists, Minkkinen says. "We can give them suggestions and input but it's up to the individual departments to customize their systems."

What does CUFS mean for the average faculty member? The most noticeable differences between the old system and CUFS are the new account numbers and a new procedure for setting up new accounts. The new account numbers offer faculty more capabilities; faculty

will be able to extract more information readily from the new accounts, such as the status of transactions and accounts and updated budgeting figures, Minkkinen says.

With CUFS, setting up new accounts for such things as paying student stipends, receiving and managing new grant monies, or managing travel funds will make faculty more accountable because the system will detect errors in account numbers and won't allow faculty to create new numbers, Minkkinen says. In the past, if faculty entered wrong account numbers into the system, the error would pass through to the wrong departments or programs and would have to be traced manually. Also, the old system provided reports based on the University's fiscal year and didn't have the capability to provide reports based on grant periods. CUFS has that capability.

Faculty members who have administrative responsibilities may find their fiscal responsibilities easier in the long run. In the past, Minkkinen says, the University held these faculty members accountable for their funds but didn't give them the tools to manage the funds effectively. With CUFS, administrators are still being held accountable, but they have the tools and control to better manage their funds, especially in budgeting. CUFS makes it easier to budget resources, then track the use of those resources. "That was one of the major deficiencies of the old system," Minkkinen says. "We did everything centrally before, but now they'll have a hands-on approach."

Some employees say CUFS is a lot easier than they thought it would be. "There have been no major difficulties," says Margaret Rasmussen, executive secretary for the Department of Geography, of converting the department's accounting system. "We have been able to do what we've needed to do. I think the most difficult part about it was trying to unlearn 20 years' worth of knowledge.

"The training has been really good," Rasmussen adds. "They did a much better job of preparing us than when they implemented the Walker system (the old accounts-

payable system). People are starting to see the possibilities. I think the apprehension is pretty much gone."

Like the University's new financial management system, the consolidation of Physical Planning and Facilities Management will impact nearly all faculty and administrators.

The two units will be consolidated February 1 to eliminate duplication, create clear accountability, expedite services, and save money, says Robert Erickson, senior vice president for finance and operations.

"The integration of Facilities Management and Physical Planning will complete the process of placing all units that deal with the University's physical assets under one roof and establishing a single point of accountability for all facilities services," says Sue Markham, assistant vice president for Facilities Management.

Physical Planning unit managers have already begun reporting to Markham, who will head Facilities Management. The structure of Facilities Management will change little under the consolidation: It will still involve the areas of finance, human resources, operations support (grounds, waste-management, etc.), and maintenance and operations (operations of the newly formed zones within Facilities Management, construction, etc.).

Changes include expanding the technical support area, which had been composed of energy management and operations engineering (maintaining building systems, roads, sidewalks, etc.) but will now include engineering and architectural design and records. Two other areas will be added to Facilities Management: planning and programming will include master planning, project programming and predesign, space use, and capital planning and budgeting, while project development will involve consultant selection, project management and project accounting.

Clint Hewitt, associate vice president of Physical Planning, will head a new department called Campus Master Planning and Real Estate and will report directly to Erickson. That department will be

FOOTNOTE

Volume 5, Number 9
December 3, 1991

Managing Editor: Geoff Gorvin
Copy Editor: Nancy Rowe

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The University of Minnesota is committed to the policy that all persons shall have equal access to its programs, facilities, and employment without regard to race, religion, color, sex, national origin, handicap, age, veteran status, or sexual orientation.

involved in master planning land use and new construction; real estate acquisition, dispositions, and leasing; and managing self-supporting buildings.

The reorganization will have implications for many faculty and administrators, Markham says. It will eliminate confusion about the roles, services, and structure of Physical Planning and Facilities Management. But more importantly, the consolidation will improve coordination of services and will provide a single point of access for all Facilities Management services, meaning that someone who needs those services will have only one phone number to call and one type of form to complete. That differs from the current system, which involves a variety of forms, contact names, and phone numbers that one needs to know to request services. "It's very difficult to serve people consistently when you don't have a single point of accountability," Markham says.

Facilities Management recently laid off nearly 100 employees because of a sharp reduction in the work loads of many trade and professional employees. These layoffs were unrelated to the consolidation.

Notices of immediate layoff were given to 59 of the 284 trade workers, while 28 of 48 professional and support workers in the Engineering and Architecture unit of Physical Planning were given 10-day notices. Ten more employees from that same unit will be laid off by the end of the year.

"The reality of the University's budget constraints has hit the University community, and that has caused a dramatic drop in design and construction work," Markham says. "While these were painful decisions to make, we are committed to making fiscally responsible management decisions."

The trade workers who were laid off are 6 carpenters, 13 electricians, 11 painters, 5 plumbers, 9 pipe fitters, 3 roofers, 7 sheet metal workers, 4 asbestos workers, and 1 laborer. In Engineering and Architecture, 19 engineers, 8 architects, and 11 support staff received notices.

The layoffs are expected to reduce the biweekly payroll by

\$150,000: \$100,000 from the trade cuts and \$50,000 from the professional cuts.

In other budget matters, the Senate Committee on Finance and Planning (SCFP) passed a resolution at its November 19 meeting pertaining to the budget and the budget process.

The resolution reaffirmed an earlier resolution passed by the committee welcoming the decision of central administration "to make provisions in 1992-93 for the immediate needs and growth of the University, despite the absence of adequate state appropriations." The resolution, however, noted that the planned increases were lower than inflation, resulting in across-the-board retrenchment in funds available for supplies and expenses, "and a similar loss of real income for the remaining employees of the University."

The resolution also included the following items:

- The committee accepts the budget plan as a feasible step to meet the University's short-term budget problems, but further planning and reallocation is needed to realize the University's potential.
- The committee is concerned about the decision to use apparent across-the-board retrenchments. "We remain unconvinced that the vice presidential areas are necessarily so equally balanced in resources and needs that budget cuts should be evenly apportioned among them," the resolution says. Also, the committee is concerned about what appears to be an across-the-board reallocation by several vice presidential units. "We are concerned that this also does not reflect the relative resources, needs, and capacities of the several collegiate units. We do not believe that the Academic Priorities reallocations have completed the process of necessary reallocations in the University, especially in light of reductions in the real budget."

- The committee believes that administrators need to articulate the implications of their planning decisions and that the long-term costs of the retrenchment should reflect student demand, departmental capacity, and relative cost. The committee requests the opportunity

to review the collegiate plans that implement long-term goals.

- The committee supports the principle of consolidating computing operations.
- The committee views the University Libraries' needs as critical and requests that their needs get special attention during the budget reallocation process.
- The committee suggests that administrators re-examine and carefully plan the relationship of Continuing Education and Extension (CEE), especially Summer Session, to other units. The committee endorses the tuition increase for CEE but believes that the increase does not address the changing relationship or other academic issues.
- The committee requests: further consultation concerning the financial feasibility of turning the Crookston campus into a four-year college; an examination of administrative services in Academic Affairs to eliminate duplication within central administration and between central administration and collegiate units (the committee encourages the examination of services); and the discontinuation of programs financed by state special appropriations unless the governor's veto is overridden or the legislature provides funds specifically for these programs. ■

□ NEWS

Anne C. Petersen, dean of the College of Health and Human Development at Pennsylvania State University, has been appointed vice president for research and dean of the Graduate School effective March 1, pending approval by the Board of Regents December 13.

Petersen received bachelor's, master's, and doctoral degrees from the University of Chicago. An expert in adolescent development and mental health, she was a professor of human development and head of the Department of Individual and Family Studies at Penn State before becoming dean. She has also served as associate director of The John D. and Catherine T. MacArthur Foundation's Health Program (1980-82); director of the Laboratory for the Study of Adolescence in the Institute

Petersen, next page

1991-92 Assembly Committee Agendas

Committee on Committees

Chair: *Geoffrey Maruyama, Educational Psychology, 210 BuH, 624-3315*

- Nominate faculty, academic professional, and student members to assembly committees
- Review assembly committees and recommend changes in committee structure, charge, or membership, if appropriate

Intercollegiate Athletics Committee (ACIA)

Chair: *Theodore Labuza, Food Science and Nutrition, 136F ABLMS, 624-9701*

- Review the Knight Commission Report and forward recommendations relative to the Statement of Principles to the president and Board of Regents
- Refine Emergency Academic Audit process of the men's and women's sports teams
- Review process and implement procedures for 1992-93 athletic competition schedules
- Vote on NCAA legislation and forward recommendations to the president
- Revise Mission Statement on Intercollegiate Athletics
- Coordinate ACIA efforts with athletic compliance coordinator
- Refine eligibility exception process
- Review and redefine position description and conduct search for the position of women's faculty representative to the Big 10/NCAA by spring 1992
- Review central control of athletic department finances

- Review the number of faculty positions on ACIA
- Propose and forward to the senate office a set of recommendations for committee membership during the summer months

Steering Committee

Chair: *Thomas Scott, Center for Urban and Regional Affairs, 330 HHCtr, 625-1551*

- Executive committee of the assembly

Student Behavior Committee

Chair: *James Holte, Electrical Engineering, 4-178 EE/CSci, 625-0811*

- Hear original complaints against individual students and student organizations involving alleged violations of the conduct code or student organizational policy
- Hear appeals from noncollegiate judiciary agents or bodies, and make appropriate dispositions of complaints and appeals based on the findings

Support Services Committee

Chair: *Deon Stuthman, Agronomy and Plant Genetics, 418 BorH, 625-3709*

- Continue evaluating safety and security issues
- Evaluate access to the University, including but not limited to parking, transportation, and bicycles
- Discuss consolidation of personnel systems

Petersen, from previous page

for Psychiatric and Psychosomatic Research and Training at the Michael Reese Hospital and Medical Center in Chicago (1975-82); research associate in the psychiatry department at the University of

Chicago (1972-82); and coordinator of the Clinical Research Training Program in Adolescence at the Michael Reese Hospital and Medical Center (1976-80).

"The University of Minnesota is one of the nation's outstanding

research universities, and I am honored to have been selected as its first vice president for research and the traditionally important role of dean of the Graduate School," Petersen says. ■

FOOTNOTE

University of Minnesota
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FOOTNOTE

□ January 7, 1992

□ Volume 5, Number 10

□ Published by the Faculty Consultative Committee

Caught In the Middle

Changes In the Fringe Benefit Structure May Mean Fewer Graduate Assistants

The University is facing a federal mandate that would change the way fringe benefit rates are calculated. The change could have major implications because it would significantly increase the cost of fringe benefits for graduate assistants, which could mean fewer graduate assistants in some departments.

Currently, the University lumps graduate assistants together with faculty members when calculating the tuition-remission component of fringe benefit rates. Departments, grants, and contracts pay 3.6 percent of academic personnel salaries for tuition remission.

The federal government, however, wants the University to conform to the rate structure used by other higher education institutions, which separates graduate assistants and faculty members into separate pools when determining fringe benefit rates. The result would be a hefty increase in the amount some units, including individual contracts and grants, would have to pay for fringe benefits for graduate assistants. The tuition component for graduate assistants would go from 3.6 percent this year to 25 percent in 1993-94, whereas the tuition component for faculty would almost vanish. The fringe benefit rate for graduate students is projected to increase from 8.5 percent this year to a projected 31.25 percent in 1993-94. The fringe benefit rate for faculty is projected to increase to 28 percent in 1993-94.

The bottom line is that if the University makes the change, some contracts and grants may not be able to afford as many graduate assistants, says Walter Weyhmann, interim Graduate School dean and chair of the Working Group on

Graduate Assistant Fringe Benefit Rates and Tuition. Whether the decrease in graduate assistants would be in proportion to the increase in the fringe benefit rates is not clear. "The question is, where does that money come from?" Weyhmann says. "In the best of all worlds, the federal government would continue to fund your graduate students and give you more money. But that's not the real world. There's a fixed number of dollars out there."

As for departments, the same considerations hold true. However, the University could redistribute its contributions to fringe benefits to compensate for these changes, thereby minimizing the impact, Weyhmann says.

Changing the rate structure at the University would result in departmental winners and losers, Weyhmann says. Departments with the highest number of graduate students per faculty member would end up paying more for benefits or losing graduate assistants. Departments with a lower number of graduate students per faculty member would pay less. "It's a redistribution of cost throughout the system," Weyhmann says. "If someone has to pay more, someone else is going to pay less."

The situation poses some basic questions for departments to consider, Weyhmann says. "To what extent do you buy into pooling of resources? We do it all the time. Everyone pays 40 percent for indirect cost recovery, for example. One school of thought is that this is a university; we're in it together and sometimes you win and sometimes you lose in these pools. Another school of thought is that

this isn't fair. This is a benefit that only comes to this class of people; it basically doesn't go to faculty, therefore you should only charge it to the graduate students."

The University is one of only five institutions nationwide that categorize graduate assistants as academic personnel when calculating fringe benefit rates. The other four institutions are MIT, Stanford, Cal Tech, and Columbia. The federal government, which regulates the rate structure to maintain some uniformity when institutions apply for federal grants, gave the University until July 1, 1993, to change its fringe benefit structure to conform to the rest of the institutions.

Weyhmann's 11-member working group has been charged with studying the issue and making a recommendation on whether the University should conform to the mandate or try to retain the current structure. A final committee report is due to senior vice president Ettore Infante by February 20. Comments from faculty are needed by about January 15.

Challenging the mandate is a legitimate alternative, Weyhmann says. The odds of convincing the federal government to reverse its mandate, however, are largely against the University. If the University elected to challenge the mandate it could consider joining the other four institutions in a joint lobbying effort.

But challenging the mandate adds some urgency to the matter. The other four institutions must change their rate structures by July 1, 1992, which makes their situation more pressing. Also, the University needs to make its

Benefits, from previous page

decision well before July 1, 1993, to ensure time to renegotiate that year's rates with the federal government. "It'd be a tough uphill battle to fight," Weyhmann says. "We'd need a lot of internal support."

If you have comments about the situation you are urged to contact members of the working group: Eugenia Davis, professor of food science and nutrition; E. Wayne Drehmel, Medical School associate dean; Cliff Fearing, chief financial officer of the University Hospital and Clinic; Nick LaFontaine, associate vice president of finance and operations; Bruce Overmier, psychology professor; Tony Potami, associate vice president of research and technology transfer; Susan Rose, educational psychology professor; Irwin Rubenstein, professor and head of plant biology; Peter Zetterberg, associate vice provost of arts, sciences and Engineering; and Anne Sales, graduate student. ■

Faculty Transfers at Waseca Progressing at a Frustrating Pace

Some University administrators and Waseca faculty members are feeling the frustration and realizing the difficulty of trying to move quickly along a complex negotiation process. In this case, the negotiations involve finding positions within the University for tenured faculty who want to transfer from the Waseca campus, which closes next summer.

Administrators are trying to match some 35 tenured Waseca faculty members with positions on other campuses. That may seem like a relatively simple task, but it's taking several months longer than expected because of unanticipated hurdles during the negotiations.

Administrators had hoped to have most of the agreements between Waseca faculty and their new departments finalized by now, but they are now looking at the end of March to complete the process, says Pat Kovel-Jarboe, reallocation coordinator for academic affairs. So far, one transfer agreement has the department's OK but is awaiting the signature of the faculty member. Six or seven other agreements are within a week or two of being finalized.

The slow process is frustrating to Waseca faculty who are eager to know where they will be next year, says Tony Seykora, associate professor of agriculture and the faculty union representative at Waseca. The union represents 23 tenured faculty members at Waseca, 9 of whom basically know which department they will be with next year and what the transfer conditions will be. Six faculty members, he says, will probably accept the University's voluntary termination agreement and the remaining eight faculty members are still negotiating with departments.

Seykora says some frustration exists because departments were slow in showing interest in faculty

members and joined the negotiation process late. "It was like a delayed reaction; some departments all of a sudden woke up. If they could have gotten on the stick a little sooner it would have helped us out a lot."

The University's changing financial situation and the different direction some departments are taking has also added to problems for Waseca's faculty, Seykora says. A department that may have had the resources to take on another faculty member several months ago may now realize that those resources don't exist. And departments may be changing direction or leadership, which could also have an impact on a faculty member's decision. "There's a lot of change within the University," he says. "A department where a faculty member may have fit in well one year ago, may have changed enough that the person has to find another department to negotiate with.

"It's really hard to tell how everything will play out. We'll see in a couple of months," Seykora says.

Most Waseca faculty have been negotiating with various departments since mid-October, when colleges and departments throughout the University were asked to submit proposals for accepting Waseca faculty. About 60 proposals were submitted from the four campuses, with up to three proposals for some faculty members and no proposals for others. That doesn't mean, however, that no departments were interested in some faculty, Kovel-Jarboe says. In most cases, a department probably didn't submit a proposal if it couldn't supply the faculty member with such things as research or secretarial support. "With all the budget cuts, some departments aren't eager to make room for some faculty members," she says, "but that doesn't mean they [departments] couldn't make a contribution."

FOOTNOTE

Volume 5, Number 10
January 7, 1992

Managing Editor: Geoff Gorvin
Copy Editor: Sharon Grimes

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When it appears that a good match has been found, the faculty member and department meet to negotiate the details of the transfer agreement. That has been ongoing since October. "Things moved pretty smoothly until we got to the point of putting on paper the terms of the transfers," Kovel-Jarboe says. "Loose ends started surfacing around the middle of December."

One of the problems in transferring Waseca faculty is the salary disparity between the Waseca campus and other University campuses. Although some Waseca faculty salaries are higher than their counterparts at other campuses, most are lower.

Another problem facing Waseca faculty is that their academic environment differs greatly from that of other campuses, which would affect the way they're considered for promotions and salary increases. Waseca faculty concentrate basically on teaching, while faculty at other campuses, like the Twin Cities campus, focus on research and getting published. In many cases, negotiations involve such things as determining how much research will be expected of the faculty member, how much time the faculty member needs to get research up to speed, and the amount of support the faculty member would get for research.

A third hurdle involves the

equipment and materials a faculty member needs for instruction. In many cases, the faculty member requires special equipment, such as audiovisual equipment, to teach. If the department doesn't have the equipment or access to the equipment, faculty members may be allowed to bring with them the equipment they used at Waseca. But if more than one Waseca faculty member needs the same piece of equipment and they're not headed for the same campus, a compromise would need to be worked out.

Smaller issues have surfaced as well, including details of switching from a nine-month appointment to a 12-month appointment, or vice versa, and starting dates, especially for faculty who will be advising students doing internships next year.

"The agreements that take the longest have to do with the equipment and materials issue," Kovel-Jarboe says.

Some tenure-track faculty have left the University for other jobs, but no tenured faculty have taken positions elsewhere, she says. "I think that their preference is to stay with the University. They're waiting to see what happens elsewhere. You'll probably see some reach a transfer agreement then get recruited by other institutions and leave."

The obvious campus for Waseca

faculty to transfer to is the Crookston campus, which submitted several proposals. But the uncertainty surrounding Crookston's future is scaring some faculty away, Kovel-Jarboe says. The uncertainty stems from such things as low enrollment, discussions about making Crookston a four-year school, and speculation that Crookston would be the next campus to be eliminated, if another campus had to be eliminated.

Tenured faculty members who do not find a department to transfer to have the option of the University's voluntary termination program. The program calls for two years of continued pay and medical and dental coverage after termination. Faculty members who reach a transfer agreement have 30 days to decide between the agreement and the termination program.

Nan Wilhelmson, Waseca's acting chancellor, says the process has been frustrating, but she understands the complexity that is involved in securing an agreement. "Anytime forced change is brought on, it's difficult," she says. "But I think the faculty have enjoyed their association with the University of Minnesota and they're interested in determining their options within the University." ■

Senate Consultative Committee Needs Nominees

Nominations are now being accepted for new Twin Cities campus faculty positions on the Senate Consultative Committee (SCC), the executive committee of the University Senate.

The committee oversees the work of the University Senate and its committees. Its members meet regularly with the president and other officials to discuss and give advice on issues affecting the University. Twin Cities members of the SCC also serve as the Twin Cities Campus Assembly Steering Committee. Members do not represent specific constituencies, but serve the total University community.

Nominees should have a broad perspective on University affairs, an interest in major policy and budgeting issues, some experience in University or college governance, and a readiness to help shape the University's agenda in the years immediately ahead. Service on the committee involves a substantial time commitment. Nominations are for three-year terms.

Nominations, citing the nominee's qualifications,

are due January 15 and may come from any college. Write or call Martha Kvanbeck, Senate Office, 427 Morrill Hall, (612) 625-9369.

Twin Cities members whose terms expire in June are Judith Garrard (School of Public Health), Norman Kerr (College of Biological Sciences), and Charlotte Striebel (Institute of Technology).

Twin Cities members whose terms continue beyond this academic year are Mario Bognanno (Carlson School of Management), Amos Deinard (Medical School), Thomas Scott (College of Liberal Arts), and Shirley Zimmerman (College of Human Ecology).

The terms of Paul Holm from the Crookston campus and James Van Alstine from the Morris campus continue through June 1993.

Members of the Nominating Committee on the Twin Cities campus are Charles Campbell, 624-4141; Willard Hartup, 624-9805; Patrice Morrow, 625-3979; Ronald Phillips, 625-1213; and Barbara Reid, 625-6699.

□ THE CHAIR'S REPORT

By Tom Scott
Chair, Faculty Consultative Committee

Here is the statement Tom Scott made to the Board of Regents during the board's open forum concerning the budget plan on December 3.

At any university, ultimately, the administration proposes and the trustees/regents dispose. The budget-setting process here at the University of Minnesota is no exception. In the meantime, however, as this hearing today illustrates, there are lots of opportunities for interested parties to argue their cases.

In my necessarily brief report today, I have three points to leave with you.

First, as you know, for several months we, along with other University Senate and faculty committees, have studied, debated, reacted to, and argued about the 1992-93 budget plan with University administrators and amongst ourselves. The debate will continue as details are developed prior to your final approval of the budget next spring. While we are not united nor uniform in our perspectives, there is, I believe, wide

support for the directions to be taken as outlined in the plan, especially when coupled with the reallocation process already under way.

Second, while there is broad consensus on the plan so far, there is also broad concern about the degree to which proposed cuts have sometimes appeared to have been assigned in a uniform fashion across vice presidential areas of responsibility, and especially within those areas and within colleges among departments. Coupled with this is a concern that the traditions of consultation and deliberation with the faculty of the colleges be as strong as possible as we begin in the near future to move into the really tough implementation phase of the plan. Indeed, given the importance of the decisions, it may be appropriate to incorporate extraordinary consultation procedures in some units.

Finally, we need your help. There is only so much that the president and his staff, the faculty, students, and other University staff can do to tell the story of the crisis in higher education to the governor, the legislature, and the general public. I will repeat what I said to you last month: We in this country—and what is happening in Minnesota is part of the overall process—we are unsystematically but successfully dismantling the one major success we have built and maintained in our educational system—higher education. A

recent article in *Newsweek* on education across the board and across the globe says, "Americans have the most successful system of higher education, especially post-graduate programs" in the world. "How did America succeed [in this regard]? After World War II, research became centered in universities, building up a cadre of scientists second to none. The result: unparalleled educational opportunities for students fortunate enough to attend those centers." The University of Minnesota is one such center. Do we really understand how fragile it is and what the costs of losing and/or rebuilding it will be?

In many ways, what is worst about what is happening here—and now as we become aware of what is going on in other states—is that each individual state, including Minnesota, can hide behind these trends and justify what is happening here on the basis of what is happening elsewhere. The accumulated effect of each state significantly reducing support for higher education, especially at the major research universities, is potentially disastrous. Instead, we should be standing up and saying, "STOP—let us look at what we are doing to ourselves and to our future." We need leadership from the Board of Regents to help carry this message as widely and forcefully as possible. ■

FOOTNOTE

University of Minnesota
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□ Volume 5, Number 11

□ Published by the Faculty Consultative Committee

Who's Doing What?

The Public is Questioning Faculty Work Loads Again But This Time the Faculty Has Answers

Virginia Gray's mother can't understand why her daughter needs to work during the University's quarter breaks. And it's not uncommon for people like Gray's hairdresser to ask her how her quarter break is going, as if there is nothing for University faculty to do when classes aren't in session.

These perceptions aren't restricted to a select group of individuals. The public, in general, has many misconceptions about what University faculty do, should do, or don't do. And when the public questions something like faculty work load, those questions usually end up at the state capitol, where legislators start asking the same questions.

The work-load inquiry happens periodically and surfaced again last year, when legislators frequently asked University administrators and faculty representatives about teaching loads. The result will be a legislative study of faculty work load in the state's higher education systems.

The study may lead to something bigger, though, like a Universitywide work-load policy, says Gray, a political science professor who is the legislative liaison for the Faculty Consultative Committee (FCC). "Ultimately, there will be some stated policy," she says. "If we don't come up with a policy, the legislature will come up with one for us."

The University eventually will need a broad, general policy to cover all departments, Gray says. Departments will need more specific policies (taking into account marketplace demands) that would outline faculty expectations. Department work-load policies also

could clear up inequities among faculty members in the same department who use their time differently. A policy could lead to more comparable work loads for faculty in the same department and could be used to help determine salaries.

A legislative committee is discussing the issue and will probably use institutional information—student-contact hours per faculty member, outside funding levels, etc.—to study the work loads in each higher education system. Gray anticipates that the study will be discussed during the 1993 legislative session and that the legislature may want to take some kind of action then. "If (faculty) can show that we've been addressing the issue, that would be to our advantage," Gray says.

The FCC has discussed work loads and Gray expects more groups to discuss it this year.

The basic problem is that the public doesn't understand faculty work loads and isn't familiar with the differences between the University and the state's other higher education systems. That leads to misconceptions, misunderstanding, and finger pointing when budget time rolls around.

That's where Gray fits in. As the faculty's legislative liaison, one of her primary duties is to educate legislators on what exactly University faculty do. And she has her work cut out for her when the discussion turns to teaching. "(Legislators) get very distressed when they hear that there is no stated, uniform, and specified number of classes that everyone must teach," she says.

In response to the public's concern, a committee chaired by Gray wrote a statement on faculty work-load. Administrators and faculty members can use the statement when they're faced with work load questions by legislators and the public. The statement uses a variety of sources and statistics to show that the responsibilities of the University's faculty are unique among faculties of Minnesota's higher education institutions. University faculty, for example, must juggle three missions—teaching, research, and service—and a host of related responsibilities.

The University's task is to educate the public and University students on what University faculty do for a living. "I really believe that if the public and legislature don't understand what the faculty does, it's because we haven't told them, and it starts with the students who don't understand what we do when we're not talking to them," Gray says. "I think it's up to us to explain what we do all day."

The fact that the work-load issue surfaced last year is no coincidence. "With the current budget situation, we're being held more accountable," Gray says. "But this is a nationwide issue that's coming up in a lot of states. In some places, the response has been to increase work loads." Rutgers University, for example, responded to a budget crunch by adding one more course to all faculty members' schedules to reduce the number of part-time instructors.

The work-load statement's bottom line is that University faculty don't have a shortage of work. In fact,

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University faculty work load in nearly every category exceeds the work loads at Minnesota's other public systems and at public institutions nationwide. For instance, a 1990 nationwide study shows that faculty at public research institutions work 52 hours per week, compared to 46 hours at public comprehensive universities and 40 hours at public two-year institutions. A University survey in 1978 revealed that faculty here work 59 hours per week.

University faculty apparently spend more time teaching than does the average faculty member at other public research universities. According to the 1978 survey, University faculty members spent 50 percent of their time teaching, 25 percent of their time on research, and 25 percent on service. In the 1990 study, faculty at public research universities nationwide taught only 43 percent of the time. The total time spent on teaching and related activities was

30 hours a week at the University, according to the 1978 survey, and Gray believes that instruction time has increased since then because student-contact hours are up. The 1990 survey shows only 22 hours on average spent on teaching and related activities at other public research universities. The question of whether faculty behavior has changed since 1978 must be taken into account, though.

The organization of work at the University may contribute to the public's misunderstanding of work loads, Gray says. Many people don't know that the University faculty (except on the Waseca and Duluth campuses) is not unionized, as are the faculties at Minnesota's other higher education institutions. University faculty have no union contract that outlines things like the number of classes faculty must teach and the number of office hours they must keep. The result is a decentralized organization where departments have some flexibility in determining how to deliver undergraduate instruction and perform their other duties.

The University also differs from other institutions in how faculty members are rewarded. The faculty's performance-based merit system creates a competition among faculty members in a given department. "Those who get raises are those who excelled," Gray says. The merit system can enforce performance expectations without specified work load standards.

The biggest misconception among the public may involve faculty responsibilities. Many people, Gray says, don't understand that University faculty are responsible for three missions, and the teaching mission may be the most misunderstood of the three.

"Legislators and the general public see teaching as the most important mission," Gray says. "Legislators get calls about problems with teaching but they never get calls about research."

Gray likes to use an analogy when she talks about the teaching mission. She likens faculty members to ministers because the majority of people see the minister work only one hour a week; they don't see the week-long preparation

that a minister undertakes before a service. Such is the case with the faculty.

Many people believe that University faculty members are experts in their respective fields and don't have to prepare for classroom instruction, Gray says. Although many faculty wish that were true, it's not: faculty members typically spend about 20 hours a week in preparation for classes, according to a poll of 12 University faculty members last year. A University study two years ago showed that faculty members average 8.1 classroom hours each week.

Aside from classroom hours, many activities are directly related to teaching, such as preparing lectures, supervising teaching assistants, and grading exams, term papers, and assignments. Faculty members also perform many teaching activities that don't carry teaching credit but are still time-consuming, such as advising, visiting with prospective students, and—probably the most important—keeping up to date on their fields of study.

New trends and programs are adding to the teaching load as well. The new liberal education requirements include a senior project in which faculty members will have to supervise research conducted by untrained seniors. Also, more students are interested in internships, which require time-consuming supervision.

From 1973 to 1978 University faculty logged their teaching-related time for surveys that were reviewed by legislators. The numbers were so staggering, Gray says, that nobody at the legislature believed them, so the survey was discontinued.

From the numbers that are known, though, the state is getting a bargain. For starters, 66 percent of the University's budget is from nonstate sources while only 25 percent—about half of which is for instruction—comes from the state. Another 9 percent comes from tuition. But while taxpayers and students are paying for a third of the faculty's time, faculty spend half their time on teaching, according to the 1978 survey that shows University faculty spending, on average, 30 hours a week on instruction.

FOOTNOTE

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Copy Editor: Nancy Rowe

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"They're getting a good deal from our perspective," Gray says. "If two thirds of our funding is from the outside, then two thirds of our time should be for activities away from teaching. We need to link the budget with work load."

Attracting outside funding is a large part of some faculty jobs. The average faculty member brings in about \$100,000 a year in outside funding. While some faculty members raise several hundred thousand dollars a year for research, some—for instance in the College of Liberal Arts (CLA), where there's more emphasis on instruction— attract very little money. The amount of teaching a faculty member does is inversely proportionate to the amount of research money that faculty member brings in, Gray says. For example, CLA faculty average nearly 10 contact hours a week but raise only \$12,252 per year, on average, in outside funding. In the Institute of Technology, faculty average 6.4 contact hours and \$112,488 in outside funding.

Research money adds to the public's confusion, Gray says. Most people don't know that outside funding is spread throughout the department to support other research projects and isn't limited to use by the faculty member who raised it—and it certainly doesn't go toward a salary increase for that faculty member. In most cases, that's news for legislators. "Their view is that research is a peculiar hobby that we have," Gray says.

The very concept of research is

hard for some people to grasp, she says. Research involves more than just lab work: it also means writing grant proposals, which is a matter of life or death for some careers. Some faculty members spend an entire quarter writing proposals.

"People can't see (research) so they don't understand it," Gray says. "A lot of basic research is something a lot of people in the real world couldn't relate to." Applied research, she says, is easier to understand than research in departments such as humanities and social science.

The University is very competitive in acquiring grants: 76 percent of University proposals were funded last year—higher than the national average even though the number of hours the average University faculty member spends on research (25 percent, or 15 hours a week in 1978) is lower than the national average for research institutions.

Research and teaching go hand in hand, especially at the graduate level, but an increasing number of undergraduate students are becoming involved in research projects, Gray says. Many departments hire undergraduates through the Undergraduate Research Opportunities Program. "Those are opportunities that you wouldn't get from nonresearch universities," Gray says.

But other undergraduate students think that research steals time away from instruction. "That's true as far as time goes, but I think faculty members see a synergy there; they couldn't do one without the other," Gray says. "I

tell legislators that if faculty members wanted to do just research, they'd go to a private company. If they wanted to just teach, they'd go to a nonresearch university. One point we try to make is that we wouldn't have anything to teach without research.

"We need to make sure that every student who leaves here knows what research is."

The service mission is probably the least visible of the University's three missions unless you monitor the local news. Few days go by when local media don't tap the expertise of University faculty for commentary on local, national, and international issues. "That's a role that's uniquely one for faculty at the University," Gray says. "That's one way we improve the level of discussion in the community."

Internal service may be more misunderstood. Faculty members spend a lot of time serving on committees, lecturing outside the University, performing administrative duties, and even judging tenure prospects at other universities. And, because the University is a research institution, faculty members are frequently called on for research peer review.

In all, faculty spend about 25 percent of their time (15 hours a week) on service, according to the 1978 University survey.

Working as a University faculty member is not an easy job, but neither is educating the public on what exactly faculty do. ■

Council on Liberal Education Begins Work

The Council on Liberal Education, established by the Twin Cities Assembly at its fall quarter meeting, begins meeting next month. The council will oversee implementation of the recommendations of the Task Force on Liberal Education, which made sweeping changes to the liberal education requirements on the Twin Cities campus.

The council, which will conduct its first meeting February 5, was appointed by Anne Hopkins, vice provost for arts, sciences, and

engineering, in consultation with Tom Scott, chair of the Twin Cities Steering Committee. Hopkins will attend the first meeting to give the council its charge.

The council's initial work includes reviewing and approving courses that students can use to meet the requirements in the diversified core curriculum and the designated themes: cultural diversity, international perspective, citizenship and public ethics, and environmental education. "The

council will have to decide how to develop and issue criteria as the basis for judging courses as satisfactory for these requirements," council chair Richard Skaggs says. "The council will also have to decide if all areas will be implemented at one time or phased in."

Skaggs, a geography professor, hopes at least some of the requirements are in place by fall 1993.

The diversified core curriculum will involve the following areas:

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physical and biological sciences, three courses; history and social sciences, three courses; the humanities and the arts, three courses; and mathematical thinking, one course.

In addition to the core curriculum, students are required to take six courses that fall within the four designated themes, with at least one course from each area. (An approved practicum can be substituted for one of the designated courses.) Also, students must enroll in a composition course or a rhetoric course that is devoted to writing.

The diversified core curriculum will probably be a mix of existing and new courses, Skaggs says. Academic units will review the council's course criteria, then propose courses that they believe would fall within the various areas.

The council's responsibilities won't end when the courses are

implemented, though. "One of our primary duties is to sit back and reflect on what liberal education should be on this campus," Skaggs says. "And that it continues to function the way the Twin Cities Assembly and task force intended."

According to the task force recommendations, the council will also work with administrators on implementing other recommendations and initiatives in the task force report, help develop plans for evaluating the success of initiatives, develop recommendations to strengthen liberal education, and generate a continuing dialogue about liberal education through a campuswide program of speakers, colloquia, and workshops.

The council members are: William Beyer, College of Liberal Arts premajor advising; Victor Bloomfield, biochemistry (term expires June 1995); Norman Bowie,

strategic management and organization (June 1993); Rey Chow, comparative literature (June 1995); David Frank, mathematics (June 1994); Catherine French, civil and mineral engineering (June 1995); Robert Jones, agronomy and plant genetics (June 1993); Candace Kruttschnitt, sociology (June 1994); Steven Penrod, Law School (June 1994); Barbara Reid, theatre arts and dance (June 1993); W. Phillips Shively, political science (June 1994); Matthew Tirrell, chemical engineering and materials science (June 1995); James Tracy, history (June 1995); Billie Wahlstrom, rhetoric (June 1994); Constance Walker, curriculum and instruction (June 1993); and John Wright, English (June 1993). An undergraduate student and a graduate student have yet to be selected for the committee. ■

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A New Health Plan?

The Task Force Vote to Separate From the State May Prove Futile

The Health Plan Task Force culminated two years of work last month with a 10-9 vote to separate from the state health plan and to endorse a proposed plan that would be administered by the University. Still, the issue is far from settled, and debate among University groups is expected to increase before the issue is brought before the Board of Regents.

The secret-ballot vote, which was taken with two task force members absent, didn't solve anything in the minds of some faculty members. In fact, there's a general sense that the faculty is adamantly opposed to the plan, the process used to formulate the plan, and most aspects of the University's involvement in it. Some faculty members say they have just as many questions now as they did two years ago when the task force began studying the issue.

Central administrators will now extensively consult with various groups such as the Civil Service Committee, the Retirees Association, representatives on the coordinate campuses, and several senate committees. In March administrators are scheduled to take the issue to the Board of Regents for information.

Whether administrators recommend the task force decision is yet to be determined, says Dianne Mulvihill, assistant director of University personnel. The task force vote was basically to determine if the plan met the regents' criteria. But, she says, "it doesn't make any sense to come out with a plan that you have to thrust down everyone's throat. You really need the backing of the entire University community, not just 48 percent of it."

The issue has been and will continue to be hotly debated among

senate committees. The University Senate will discuss the plan from 1 to 2:30 p.m. Thursday, February 20, in room 25 of the Law Building. The Senate Committee on Faculty Affairs (SCFA) and the Senate Committee on Finance and Planning (SCFP) held a joint meeting February 6 to discuss it.

The proposed plan, which would be implemented January 1, 1993, gives employees three options and a possible fourth. The HMO option is similar to the current Group Health plan and pays benefits when University employees use network providers. Under the choice option, employees can use any health-care provider, but using a network provider results in greater benefits than if out-of-network providers are used. The catastrophic and no-coverage option is for employees who have other coverage or, in the case of catastrophic coverage, are willing to assume some risk in exchange for lower contributions. Employees who choose no coverage have to prove that they have other coverage and will probably receive a cash refund or credits that can be used for other benefits. The possible fourth option is an Aware Gold-type indemnity plan.

The HMO option makes the health plan budget-neutral for the University—it would pay what it pays now for coverage. With the HMO option, employees would use network providers only, except in emergencies or by referral. The provider for this option, which is available in the Twin Cities only, would probably be Group Health.

The proposed health plan would be budget-neutral because the University bases its cost on the lowest provider, which is now

Group Health in the Twin Cities. Employees who choose a more expensive plan pay the difference.

The choice option is probably the most controversial of the four. This option gives employees a lot of flexibility: they can use any care provider, but if they use network providers they receive higher benefit levels than if they use out-of-network providers. For example, employees who use network providers pay \$10 per office visit, 10 percent of hospital and surgery expenses up to a maximum employee payment of \$500, and \$35 for emergency care. (The figures used in the proposed plan have not been finalized.)

Out-of-network providers in the choice option are more expensive: Employees pay a \$300 deductible, then 20 percent of the cost of health care over that amount. The out-of-pocket limit (the deductible plus the copay) is \$1,500. And employees pay 100 percent for office visits. But they can move in and out of the network at any time during the year.

Administrators are still negotiating with vendors, but the leading candidate for the choice option is Blue Cross And Blue Shield, which would be cheaper than the current State Health Plan and PHP, by administration's estimates. The University also is negotiating with MedCenters and Preferred One, both of which are cheaper than the State Health Plan and PHP in most cases, and with PHP as well.

The catastrophic and no-coverage option has a \$1,000 deductible, a 20 percent copay, and a \$3,000 out-of-pocket limit.

The fourth option, an Aware Gold-type indemnity plan, has a \$10 copay per office visit and offers benefits similar to the in-network

Health, from previous page

benefits of the choice option. The monthly contribution, however, would be much higher—for a single user, as high as \$75 a month above the monthly contribution for the choice plan.

The proposed health-care plan extends the choice option, a different indemnity plan, and possibly the fourth option to the coordinate campuses. The indemnity plan has a \$100 deductible, a 20 percent copay, and a \$1,000 out-of-pocket limit. It differs from the Aware Gold indemnity plan in that it isn't restricted to Aware Gold providers and is a little cheaper.

The proposed plan considers two alternatives for retirees: keeping retirees in the state health-care plan, or requiring the vendor to create an indemnity plan that would mirror the state's plan, which would be difficult, Mulvihill says. Retirees have been very concerned about the proposed plan because they fear they'd have to

change physicians and terminate relationships that they were comfortable with. But they will be able to maintain their current health care if the plan is adopted and Blue Cross is selected as the vendor for the choice plan. Without Blue Cross in the proposed plan, retirees would probably have to change physicians.

One of the questions raised during the joint meeting between SCFA and SCFP concerned postponing the decision a year because of the close vote and the vocal opposition to the plan by faculty members. But that wouldn't be a good idea, Mulvihill says. "The state is very concerned because the University is out there negotiating with vendors. They wouldn't appreciate it if we dragged it out more." Also, the University may lose credibility with the vendors if negotiations are extended for a year, she says.

Regardless of what administrators decide, the University's two largest unions, the Teamsters and the American Federation of State, County, and Municipal Employees, will stay with the state plan next year and have already negotiated a health plan. The absence of the union workers would significantly reduce the number of University employees in the health plan: from 17,000 to less than 10,000. "When we looked at any combination, we felt that we still have the law of numbers with us," Mulvihill says.

Avner Ben-Ner isn't so sure. He says that the nonunion employees who would be in the University plan could have higher health costs that could negatively affect the rates, which are based on participation by all employees. "The risk will be built into future premiums," says Ben-Ner, SCFA chair and a member of the task force. Ben-Ner voted against the proposal and wrote a 12-page letter outlining his objections.

The University has high health-care use, but it also has many single users, meaning the University probably has a use only about 3 percent or 4 percent higher than other groups, says Robert Erickson, senior vice president for finance and operations and task force chair.

Erickson hinted at the joint meeting that he supports the new plan. "It does meet the (regents')

objectives," he says. "The sense that I got from the split vote was the subjectivity of where this is going, the known versus the unknown.

"An important benefit of separating is that we can do some experimentation. We can't do that with the state. We end up getting into the basic concept of cost, but the ability to experiment, to me, means a lot. If something could cut costs, we could try it as an option to see if it does cut costs," Erickson adds.

Administrative cost was another issue raised during the joint meeting, as was the plan's management. Managing the plan would not be cost-prohibitive, Mulvihill says. The University would initially need expert assistance once a year to set premiums, but that process would eventually be done by computer. "We'd be looking at a much simpler plan because the state negotiates with a number of vendors, we'd have one," she says. The University's cost for establishing rates each year would be less than the state's cost, which is now built into the health plan's premiums and paid by University employees.

Administering the plan would be a different story, Ben-Ner says. "I'm not sure we have the administrative talents to manage this plan. This is a serious business that requires serious administration and costs serious dollars."

Administering the plan wouldn't be as complicated as one might expect, Mulvihill says. It would require standard auditing, but the University wouldn't be involved in some activities, like processing claims.

Another component of the plan that has initiated a lot of discussion is the inclusion of the University Hospital and Clinic, the University Family Practice Clinic, and Boynton Health Service as providers in the networks of the HMO and choice options. Including the University health facilities was one of the principles that the regents included in their instructions for developing a health plan.

Some faculty believe the plan's intent is to drum up business for the University hospital, which reports say is losing money. And others believe a conflict of interest

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exists for a University administration that would be managing a health-care plan and promoting the success of its health-care facilities.

"I feel for the University hospital," Ben-Ner says. "I have a sense that there are financial difficulties at the hospital, but we shouldn't use this to help it out."

The health-care industry in general is having financial difficulties, says Robert Dickler, director of the University Hospital and Clinic. "Small changes in volume have significant effects financially," he says. "It is our hope that University employees can use University hospital facilities. We also hope that we can provide better service than anywhere else. If volumes increase, we'd benefit and the University would benefit. There's no requirement that you go to the University hospital and there's no evidence that there'd be a financial boon for us because of this. The ramifications are unclear."

"If somebody's going to benefit from our business, I'd just as soon it be the University hospital," says Don Rasmusson, professor of agronomy and plant genetics and an SCFA member.

Mathematics professor Richard McGehee believes otherwise. "It's clear that the University hospital's interests are paramount," says McGehee, a task force member who voted against the proposal, outlining his reasons in a five-page letter to SCFA.

In his letter, McGehee urges SCFA to reject the proposed plan for various reasons, but basically because "in the long run, the state will be a better custodian of our health plan than the University is capable of being."

McGehee criticizes the process used by the task force and the fact that some important components, namely the fourth option and the selection of vendors, were left for the most part unresolved. The fourth option is very important to faculty members and was one reason why the task force was formed, he says. It was also one reason why he was initially in favor of separating University health care from the state.

Ben-Ner says the task force's consultant opposed including the fourth option. Information about

that option finally came from the consultant last month after many requests from task force members. "This was done, I believe, without real commitment but in order to placate criticism of the University plan," Ben-Ner says in his letter. "Indeed, the 'fourth' option is not a formal part of the proposed plan."

Donald Spring, humanities professor on the Morris campus and a task force member, also dissented in the vote and outlined his concerns about the plan in a letter. He focuses on the shortfalls that would face the coordinate campuses, namely that the plan forces employees on the Morris and Crookston campuses to use a gatekeeper for their health care because of the limited options.

The gatekeeper concept in the choice option, which is available on all campuses, has produced a lot of concern from faculty members. The gatekeeper coordinates employees' medical care, refers them to specialists and a hospital, and tracks their complete treatment.

The way gatekeepers are reviewed and paid provides a strong disincentive to refer patients to specialists for care, Spring says. "I realize that some efforts at containing skyrocketing health-care costs are essential, but I am not convinced that consumer demand for high-cost speciality care is the principal or even a major cause of those high costs."

Spring doubts that using out-of-network providers would be a workable and affordable way for Morris employees to avoid using a gatekeeper. Morris, he says, has an inadequate choice of network physicians within the current plan and he doubts that the new plan would remedy that situation.

The coordinate campuses in

general are shortchanged by the proposed plan, Spring says. The consultants who worked with the task force apparently did not address the unique health-care needs of the campuses. "In fact, we regressed," his letter says.

Roger Feldman, professor in the School of Public Health and a task force member, also voted against the plan and wrote a letter explaining why. Many of his concerns were echoed by others.

Central administration is in a tough situation as it tries to sort out all the issues regarding the proposed plan, Mulvihill says. The health plan discussion comes at a very volatile time at the University, when layoffs, reorganization, and budget cuts have reduced the level of trust between employees and central administration. Some people may believe that turning over the University's health plan to administration would result in unfavorable changes to the health plan in order to save the University money.

Others may believe that employees are better off letting the unions negotiate the University's health plan with the state, rather than being represented by central administration, Mulvihill says. But the unions do not represent all employees, and union negotiations involve a host of issues, all of which do not directly affect all employees, she says. So the give and take of negotiations may result in unfavorable situations for nonunion employees who wouldn't have a say in the matter.

Mulvihill believes it would be easier for University employees to have their health-care-related concerns heard by University administrators rather than state negotiators. But that's ultimately the decision of central administration. ■

The Senate Committee on Committees is accepting nominations of faculty, staff, and students to serve on senate and assembly committees during the 1992-93 academic year.

Members are needed for the educational policy, equal employment opportunity for women, faculty affairs, finance and planning, intercollegiate athletics, judicial, library, Physical Plant and space allocation, research, services for the handicapped, social concerns, student affairs, support services, and other committees, as well as for the University College Assembly, the Council on Liberal Education.

The deadline for nominations is March 6. Contact Martha Kvanbeck, Senate Office, 427 Morrill Hall, 100 Church St., S.E., Minneapolis, MN 55455, (612) 625-9369.

Supercomputing Will Get Funding Despite Storm of Criticism

The Board of Regents unanimously approved a \$32 million agreement to buy services from the Minnesota Supercomputer Center, but not before a storm of criticism and misinformation over the issue hit the Twin Cities campus.

The agreement, effective July 1, 1992, is an \$8 million annual pledge from the University to the center over the next four years. The center will use the agreement as collateral to purchase "next-generation" equipment that will allow the center to offer at least twice the computational capability at half the contract rate.

The agreement calls for a technology upgrade during fiscal year 1992-93, the first year of the agreement. The University has no obligation to pay unless its users have access to services and the new equipment, and the University can resell the services if financially necessary. The center is negotiating with several vendors, including Cray Research, for the new equipment, which hasn't been publicly announced yet.

The University's funding for computer use at the center was \$6.4 million this year, plus about \$1 million for the center's utilities and maintenance. Utilities and maintenance are included in the \$8 million pledge. Funding for the supercomputer center is a special appropriation from the state and

cannot be used for anything other than the center. "We're talking about money that does not exist if it doesn't go to the supercomputer center," President Nils Hasselmo says.

The center now has a Cray-2 that costs users \$750 an hour and a Cray X-MP that contracts for \$550 an hour. The University gets to use the computers for free during spare time, which reduces the average price University users pay to below \$200 per billing hour. The new equipment, which will cost about \$60 million, will be contracted for \$375 an hour, and the University's use will reduce the price well below \$200, says Ettore Infante, senior vice president for academic affairs.

The University's risk in the agreement lies in the future of the state specials and the implications of another budget cut. If the University has to cut the funding for state specials, the agreement will protect the supercomputer center from cuts, meaning that other programs will have to suffer larger cuts, says Nick LaFontaine, associate vice president for finance and operations. And if the state eliminates the center as a state special, the University would have to fold the program into the budget and continue funding the center until the end of the agreement. That would probably also happen at the expense of other programs and positions.

Hasselmo defends the agreement wholeheartedly despite the risk that's involved. "The risk is within acceptable limits," he says. "We can't continue with the equipment we have. We either have to move forward or dismantle what we have. Supercomputing has given us a new tool. We have a relative advantage that we shouldn't lose."

The agreement was lambasted by an anonymous flier that circulated throughout campus several weeks ago. Titled, "Should We Sacrifice the University for Supercomputers?" the flier urged everyone "to convince your regents and legislators to spend our tax dollars on the proper priorities, and in the best interests of the entire state of Minnesota."

The flier tries to put the agreement into perspective with several financial comparisons to the \$8 million. The University could cut tuition by 6.3 percent, fund the Waseca campus and the humanities and linguistics departments, establish 100 new microcomputer labs on campus, give salary increases of 2.5 percent to faculty and 2.4 percent to civil service employees, or hire 100 new faculty members.

But administrators contend that the University and the state are on the cutting edge of the supercomputer industry worldwide and cannot afford to fall behind by passing on this opportunity. ■

FOOTNOTE

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☐ Volume 5, Number 13

☐ Published by the Faculty Consultative Committee

The Waldorf Bill

Are the State's Higher Education Systems Ready for Such a Radical Change?

Consider this: A legislator drafts a bill that would double tuition at state-run higher education institutions and cut the state appropriation for higher education instruction in half. The initial reaction throughout the state is laughter, which slowly turns into a chuckle, and then becomes grave concern as support from the legislature begins to mount.

Say hello to the Waldorf bill. Sen. Gene Waldorf, who has always been a strong ally of public higher education systems, grew tired of seeing the Minnesota Legislature nibble away at funding for higher education. In response, he came up with a plan to protect the instruction appropriation: the Waldorf bill.

The state's four public higher education systems oppose it: Students envision tuition so high that they couldn't afford college and administrators fear that the bill would wreak havoc with the reciprocity laws and send the state's best students across the border in search of lower tuition.

But if everyone opposes the bill, why is it so popular among legislators? The answer is simple: Money. The bill would save the state \$124 million (using the current figures) by cutting state support for instruction, doubling tuition, and tripling student aid. And the plan would come at a time when the state is scrambling to reduce a projected \$570 million shortfall.

Legislators say the savings would be used to improve higher education quality, but University administrators aren't so sure. "I think most of us would say that that's \$124 million that can be deducted from the state deficit," says Dave Berg, assistant to the president.

Administrators and students

from the four public systems voiced their opposition to the bill at a house education subcommittee hearing last week. The University was represented by Berg and Ettore Infante, senior vice president for academic affairs.

Berg isn't convinced that the bill will even make it to the house floor for a vote. Still, he says, the legislature could try to throw together a similar bill at the end of the session that would be less severe than the current draft. "We want to stay on top of that." If compromise bills are considered, the University may want to propose its own, he says.

The Waldorf bill calls for a reduction in state funding of instruction at the University from 67 percent to 34 percent. Currently, the University receives \$159 million from the state for instruction and \$17 million for debt service on buildings used for instruction. Tuition accounts for \$86 million. The bill would fund instruction with \$89 million in state support and \$173 million in tuition. Those two amounts would include the debt service.

To counter the tuition increase, the bill proposes to more than double the number of state grant recipients at the University, from 8,000 to 20,000, and to increase state grant monies by \$34 million. State grants, which would average about \$2,600, would be awarded to students with low family incomes. With an average financial aid increase of \$1,725 and an average tuition increase of \$2,173, the Waldorf bill means the average grant recipient at the University would pay \$448 a year more to attend college. "Collectively, the students would be picking up an

extra burden; there's no doubt about that," Berg says.

Grant recipients in the state university system would actually have a net gain of \$42 when comparing the change in aid to the change in tuition. The legislature, Berg says, views state university students as having a greater student-aid need than students in other systems. Recipients at technical colleges would be hit the hardest—\$810—because the funding formula currently includes a much higher level of state support for technical colleges; the Waldorf bill brings that more in line with the formulas for the other systems.

Several faculty groups on campus, including the Senate Committee on Faculty Affairs (SCFA), have discussed the Waldorf bill recently. Richard Goldstein, head of mechanical engineering and SCFA member, says the bill's long-term impact on the University could be significant because the high tuition could drive students to other states and private colleges: a trend that would take a long time to reverse.

Political science professor Virginia Gray, the faculty's legislative liaison, agrees. "I think most faculty would be concerned with the market implications," she says. "We're in a national education market. I fear a lot of Minnesota students would go elsewhere and those would probably be the better students. If one state tried it alone, it'd be suicide."

Part of the problem, Gray says, is that the bill has bipartisan support: the conservative republicans are concerned with cutting state spending, while the democrats support progressive taxes and the

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Waldorf, from previous page

idea of state grants for students with low family incomes.

The arguments for and against the bill are many, Berg says. One of the biggest advantages of the bill is that the University's total spending base for undergraduate instruction wouldn't get cut; it would stay at \$245 million. This is because the bill would allow the University to replace lost state support with increased tuition, with the help of more student aid.

Student aid, under the bill, would go to those who need it. Without knowing exact figures, Berg says the net cost to attend the University would probably decline for students with family incomes up to about \$35,000. Students with family incomes up to about \$70,000 would be eligible for some aid, although the net cost of attending the University would increase progressively in the upper income range.

Other advantages:

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Managing Editor: Geoff Gorvin
Copy Editor: Nancy Rowe

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- State instructional support at technical colleges would decrease more than at the other systems. Currently, the technical colleges receive 73 percent of their instructional funding from the state, compared to about 67 percent for each of the other three systems (the University, the state university system, and the community colleges). By making state support for instruction 34 percent for *all* systems, the bill would save the state an extra 6 percent, or \$14.6 million, in technical college appropriations.

- The state may make more efficient use of its higher education appropriation because the four systems could provide the same level of instruction, while the state would save \$124 million.

Those who argue against the bill say that the affluent, who already pay progressive taxes, would be discriminated against by the bill because they wouldn't be eligible for student aid. But the counter-argument is that the tax system is designed so that, as income goes up, the benefit people get out of that additional income is of lesser value to them, Berg says.

The high tuition could drive many students with high family incomes out of state in search of lower tuition, while students with low family income would receive student aid and remain in Minnesota, Berg says. Many students would take advantage of Minnesota's reciprocity agreement, which would allow them to pay less tuition at a university in one of the surrounding states than would be charged at the University. "This bill would retain low-income students but does nothing to retain high-income students," he says.

Losing students with high family incomes would hurt the University, Berg says, because studies show that high performance and high family income are positively correlated. "This is a bill that retains the least able students," he says. "That's a hard argument to make in public, but it's true."

Quality universities like Nebraska and the University of Texas at Austin would have lower tuition than the University, Berg says. "If this bill passed, it would

give every incentive for students with low-families income to get student aid and stay in Minnesota, but students with high family incomes without student aid would have no incentive to stay in Minnesota," he says.

Under the Waldorf bill, the University's resident tuition would be the highest of any public research university in the Association of American Universities.

Drastically increasing tuition and student aid is not a local issue, Berg says. "My major objection is that I don't think you can do it in one state. I'm convinced it's a national issue. The results are absurd if other surrounding states don't do this. It'd probably destroy reciprocity laws."

An example of that, Berg says, is the effect the policy would have on the University's agriculture program. Tuition for ag students would be three times as much here as tuition at North Dakota State University or South Dakota State University, both of which have good ag programs. "I think we could close our ag school if this passes," he says.

Here are other oppositions to the bill:

- Enrollments would decline sharply because students are generally more sensitive to tuition than to student aid. The tuition hike would negatively affect those whose net attendance cost would increase, but also would put off some of those whose net cost would decrease a little.

- The University's total annual cost of athletic scholarships would increase sharply, by possibly \$870,000 to \$1 million.

- The purchasing power of all non-need-based scholarships would be diminished by about half because tuition would double. "This is *not* a trivial argument," Berg says.

Berg says it's hard to determine what will become of the Waldorf bill, but one thing is becoming more clear as the session wears on. "I can't believe that no tuition and no tax increases would come out of this." ■

Grievance Policy Being Reviewed

When the new University Grievance Policy was implemented 18 months ago, nobody envisioned that it would be perfect, but the policy's authors hoped that it would at least streamline the University's grievance system and make it easier for faculty, staff, and students to use.

The intent of the new policy was to reduce the number of access points for a grievance, expedite the grievance process, and ensure that departmental grievance rulings weren't just a rubber stamp for a department chair's prior decision.

Now, the new policy is due for a review to determine how the grievance system can be improved even more. Mario Bognanno, director of the Industrial Relations Center, is chairing a nine-member review committee charged with examining the policy and other University grievance systems to determine how the University can make the people involved more effective and remedy some of the problems that have arisen.

The committee had its first meeting February 17 and scheduled seven meetings in March. Bognanno expects to have a report and recommendations completed by mid-April. The Senate Consultative Committee and/or the University Senate will then act on the recommendations in May, and President Nils Hasselmo will forward the recommendations to the Board of Regents this summer.

The committee has already identified eight or nine other grievance systems that still exist at the University, including the civil service, sexual harassment, student employment, graduate assistant, and equal employment opportunity grievance systems. The committee

is compiling information about each system to look at such things as the steps used, strengths and weaknesses, and whether the policy is compatible or in conflict with other grievance systems.

That information, Bognanno says, will help the committee decide if the University should "simplify the patchwork of systems.

"One benefit of consolidation is that it's easier for University employees to use the system," he says. "The current University system consolidated some, but there are still some out there."

The committee laid out some criteria for improving the current grievance system, such as making the process efficient by limiting the time and resource commitment of those involved and eliminating positions that really aren't necessary. For example, the current policy calls for a grievance officer, the three-member Standing Subcommittee on Procedure, the nine-member University Grievance Committee, and 26 collegiate unit committees that involve some 205 people.

The policy also needs to ensure that grievances are fair, that they're handled in a timely manner, and that final decisions are reached, Bognanno says. "We want to make sure we have due process. And we want the system to be easy for the employee (including students) to access and use effectively. We want to be user-friendly and we want a system that's going to produce final results."

The current system has a lot of problems, according to associate math professor Charlotte Striebel, who helped write the policy and served as the system's only griev-

ance officer until she resigned last month. She thinks the University should scrap the whole program and use an outside arbitrator or mediator because an internal system just doesn't work. "I thought it'd work; we did the best we could in drafting it, but it just doesn't work.

"It's so skewed toward the power structure that the grievant doesn't have a chance," she says. "The way it is now, the grievant gets kicked around and the respondent wins. I would recommend that nobody file a grievance."

The biggest problems with the policy, Striebel says, are that most cases get dismissed without a hearing; the panels aren't really panels of peers because they are appointed by deans and the Committee on Committees; and everyone is worried only about who wins and who loses, instead of being concerned about the problem and how to fix it. "The only purpose of the grievance policy is to pinpoint problems and try to fix them. But you never get to the question of how can we fix the problem," she says.

Law School professor Fred Morrison is acting grievance officer as well as chair of the University Grievance Committee and the subcommittee on procedure.

The other members of the grievance policy review committee are Mary Easterling, Student Financial Aid; Judith Garrard, public health; Burle Gengenbach, agriculture; Harriett Haynes, University Counseling Service; Jack Imholte, Morris campus; Rosemarie Park, education; Esther Reese, College of Liberal Arts (CLA) student; and David Ward, CLA. ■

A Step-By-Step Guide to the Grievance Policy Procedure

1. The grievant files a written statement of the grievance with the University grievance officer.
2. The University grievance officer forwards the written statement to the respondent and requests a formal answer within 10 days.
3. After receiving the answer, the grievance officer can: a) require either party to submit a more detailed written statement; b) dismiss grievances that are frivolous or that are outside the jurisdiction of this University grievance policy; or c) bring in a mediator if the parties desire to do so.
4. For cases that aren't dismissed, the officer sets a schedule for discovery (30 to 60 days).
5. Normally, the officer refers the

Grievance, from previous page

case to the appropriate collegiate grievance committee. If there is reason to believe that justice cannot be served on the collegiate level, the officer can refer the case to a joint committee from two or more colleges or to a panel of the University Grievance Committee.

6. The officer sets a timetable for the hearing and a deadline for the final report. The hearing must begin within 30 to 45 days of receipt of the grievance.
7. The hearing panel, made up of three members of the designated grievance committee, presides over and conducts the hearing.
8. Once the hearing is over, the panel prepares a preliminary report summarizing evidence and recommending action or affirming action already taken. This draft report is sent to the

parties and to any administrators responsible for its implementation. They are given 10 days to respond.

9. Within 90 days of the beginning of the hearing, the panel prepares a final report, which is sent to the University grievance officer. The officer sends copies to the parties and to any administrators involved. If a voluntary formal settlement is reached, that written document serves as the final report.
10. Parties to a grievance or administrators responsible for implementing the final recommendations can, within 10 days of the final report, file an appeal with the University grievance officer. The University Grievance Committee then reviews the final report for the case and determines whether the parties were afforded due process. It does not review evidence unless

it finds that due process was denied.

11. If no appeal is filed, those responsible for implementing the decision in the final report must notify the University grievance officer within 30 days of the steps they are taking to implement that decision.
12. Within this 30-day period, the president or provost may request that the University Grievance Committee review a decision in light of its impact on University policy. The committee prepares a final report, which is sent to the president, provost, parties, and the University grievance officer. The president notifies the officer, the committee, and all parties within 30 days of steps taken to implement the committee's decision. ■

FOOTNOTE

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March 17, 1992

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Shrinking enrollment:

The numbers are down but diversity and quality of the student body are on the rise

The news from the vice president for student affairs' office is that the University is well on its way to meeting the enrollment goals established by the legislature. Furthermore, the ratio of undergraduate to graduate students is falling, the proportion of minorities at the University is on the rise, more and more incoming freshmen are better prepared academically, and the University is attracting a higher number and proportion of high-ability students.

Those are the results of an enrollment update that was presented to the Board of Regents last month. The progress in those areas is encouraging, central administrators say, but the University has to start looking ahead to new enrollment goals.

The University has one year left on the six-year enrollment agreement that was reached with the legislature. The agreement involved an enrollment reduction from 38,150 full-time equivalent students (45 credits taken during the year) in 1987 to 31,600 by the 1992-93 fiscal year. In exchange, the legislature would try to maintain

the University's funding base, which would mean an increase in funding per student.

Along with the enrollment targets, the University set four other goals:

- Decrease the ratio between undergraduate and graduate students on the Twin Cities campus.
- Increase the number and proportion (to 10 percent of the student body) of students of color.
- Strengthen students' academic preparation.
- Increase the number and proportion of high-ability students.

The enrollment count has been consistently below the legislative agreement except for 1990-91, when enrollment was nearly 1,000 students above the target. "That was unexpected," according to Dave Berg, assistant to the president. He says he's not sure why enrollment jumped, but predicting enrollments five years in advance is a difficult task.

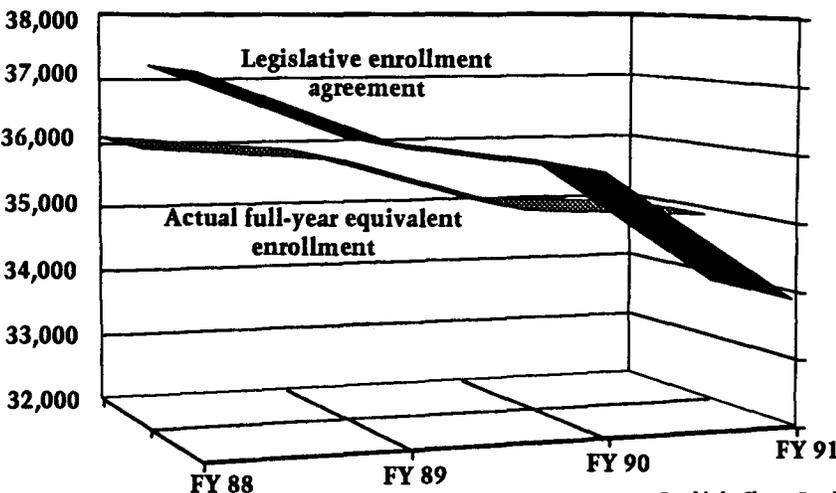
The total number of students on the Twin Cities campus, where most of the reduction has taken place, has steadily decreased since 1987, while that number at Duluth

and Morris has remained relatively steady. Crookston has increased slightly while Waseca has decreased sharply because the campus is closing this summer. "At the time of the agreement, we expected Duluth to have a decrease, but that hasn't happened," Berg says. "We assumed Morris would stay the same."

The reduction in undergraduates at the Twin Cities campus since 1987 has totaled about 6,500; most of the reduction came at the freshmen level. The reductions were made in these areas: 2,300 from the College of Liberal Arts, 1,200 from the General College, 1,000 from the College of Education, 850 from the Institute of Technology, 600 from the Carlson School of Management, and 400 from the College of Human Ecology. Enrollment at the College of Agriculture dropped by 150, a trend that was unplanned and has been reversing, Berg says.

The University and the legislature each came close to holding up its end of the enrollment agreement. The University's enrollment figures stayed below the limits until last year, and the legislature maintained the University's funding until it made significant cuts this biennium. "But even though we're having a decrease in funding now, we will still have improved our situation slightly because of the decrease in enrollment," Berg says.

The undergraduate-to-graduate ratio is already below the goal of 3 undergraduate students per graduate student. The 1987 ratio at the Twin Cities campus was 3.54-to-1, but is now at 2.74-to-1. The University reached its goal early because the number of undergraduates is down, while the number of graduate



Graphic by Shawn Bamhart

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students has experienced a modest and somewhat unexpected increase.

While the number of undergraduates is decreasing, the number and proportion of students of color are on the rise. The University's goal is for students of color to compose 10 percent of the student body. The proportion has already risen from 6.2 percent in 1987 to 7.9 percent in 1990-91. The proportion of students of color has reached 8.9 percent among undergraduates and 11.7 percent among professional school students, but is much less at the graduate and adult-special levels.

The University has experienced a dramatic increase in the proportion of new freshmen who are students of color: from 8 percent in 1987 to 12.1 percent in 1990-91.

The University also monitors "approximate market share," which compares the number of University freshmen who are students of color

from Minnesota with the number of Minnesota high school graduates in the previous year. In 1990 (the most recent information), the University's market share of students of color was 18.2 percent, compared to 9.4 percent of white students.

"The University is trying to recruit students who really fit the University," says Ron Matross, assistant director of student support services. "But opening the door to students of color is just the first step; helping them succeed and helping them graduate and meet their goals is the next step and that's the one that is concerning us now. While we're pleased that we're enrolling a large number of students of color as freshmen, it is disturbing that that proportion is so much higher than [in] the student body in general, because it does indicate that they may not be succeeding to the extent that we and they would like."

In the area of academic preparation, the University has made great strides since implementing its preparation standards in 1985. By fall 1991, 69 percent of all incoming freshmen met all the requirements, and 90 percent or more met the requirements in English, math, and social studies. More than 85 percent met the foreign language and science requirements.

At the Twin Cities campus alone, the percentage of freshmen who met all the requirements rose from 17 percent in 1985 to 70 percent this year. The greatest increase came in foreign languages, from 48 percent in 1985 to 87 percent last year.

In addition to being better prepared, an increasing number of freshmen are high-ability students. The percentage of new freshmen who were in the top 10 percent of their high school classes increased systemwide, from 22.4 percent in 1987 to 26.7 percent in 1991. At Morris, the increase was much more dramatic, from about 42 percent to 62 percent. Also, the average high school rank of freshmen systemwide increased from 67 percent to 72 percent during the five-year period.

While administrators are relatively happy with the progress the University is making toward achieving its goals, they're also

concerned about limiting students' access to the University. At least two out of three freshman applicants to the University are admitted. A 1988 study revealed that about 75 percent of those who were not admitted to the University enrolled in other higher education institutions. The status of the remaining 25 percent was unknown. "The results of the study were encouraging," Matross says. "We haven't really restricted access."

"Overall, the University's enrollments have been moving in the directions that were intended five years ago," the enrollment update says. "The University's student body has become more diverse and more evenly balanced between graduates and undergraduates. New freshmen are better prepared and are of somewhat higher academic caliber. These changes have occurred without a severe constriction of access."

The University now must look ahead and set new enrollment targets, Berg says. Discussions are already under way. The following issues are among those that the University must consider when setting new targets:

- The University needs to admit enough students to match its capacity, while keeping in mind the decreasing numbers of high school graduates and declining revenues.

- The University will face increasing competition from other institutions in recruiting students of color who are prepared for college. The proportion of students of color in high school graduation classes will increase in the next few years.

- The University will continue to face competition in recruiting high-ability students. The Morris campus has successfully recruited high-ability students, while the Twin Cities campus has done less well.

- The University needs to maintain adequate numbers of new freshmen, which will be difficult next year because of early indications that the number of freshmen next fall will be lower than anticipated. "We have to get the word out that the University welcomes freshmen," Matross says. ■

FOOTNOTE

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Managing Editor: Geoff Gorvin
Copy Editors: Nancy Rowe, Mary Lopez

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Steam plant decision raises tough questions for regents

After declaring a draw between the two leading steam plant proposals, central administrators will leave the steam plant question in the hands of the Board of Regents.

At the regents meeting last week, administrators recommended that the regents accept the contract offer of either Arkla Inc. or Foster Wheeler Corp., and reject the offer of Northern States Power Co. (NSP). The regents are scheduled to vote on the matter April 10.

"Frankly, this recommendation represents some very unique circumstances that we feel call for an independent judgment on the part of our policy board," says Sue Markham, assistant vice president for Facilities Management.

In the meantime, the steam plant debate around campus will continue. The regents will hold an open forum from 3 to 6 p.m. Monday, March 30, in the Earle Brown Center to discuss the matter.

The two recommended proposals are similar, and each will cost the University about \$300 million in today's dollars for the 25-year contract, or about \$750 million in payments over the 25 years. That cost includes construction, operation and maintenance, and fuel.

All 77 steam plant employees will become employees of the successful vendor, with no layoffs for 12 months. The vendor also will honor the University's contract with Teamsters Local 320. Within five years, staffing levels would be reduced to 40 employees under Arkla's proposal, 45 under Foster Wheeler's (50 if the clean coal program materializes), and 30 under NSP's.

Both recommended proposals significantly reduce emissions of regulated pollutants and eliminate coal use and storage on the St. Paul campus. The types of emissions reduced differ because of the different fuels proposed—Arkla's proposal would result in low carbon dioxide emissions because gas would be the primary fuel, while Foster Wheeler's proposal would have lower levels of sulfur dioxide and oxides of nitrogen because coal would be used.

The policy issues facing the regents include Arkla's proposal to eliminate the two steam plants along the Mississippi River and improve the looks of the riverfront, versus Foster Wheeler's cost-saving measures that involve producing some electricity and applying for funding through the U.S. Department of Energy Clean Coal Technology Demonstration Program.

But it's the coal-versus-gas debate that has been a part of the steam plant discussions from the very beginning. That issue is important, but it's not the only one, Markham says. "We believe that the issues are much broader than the coal-versus-gas debate. Both vendors have achieved the same results, albeit in different ways."

The following are the proposals:

Arkla

The Arkla proposal would cost the University \$299 million in 1992 dollars. Arkla would build a gas-fired plant northeast of Williams Arena for the Minneapolis campus and would close the southeast and main plants, which are located along the Mississippi River between the east bank of the Minneapolis campus and Interstate 35W. The new plant and a renovated St. Paul plant would burn 90 percent gas and 10 percent oil. Construction of the facilities, which would be completed July 1, 1997, would cost \$67 million.

The advantage of the Arkla proposal is that it would eliminate the main and southeast plants and their coal piles. The University could then improve the aesthetics of the river flats and eliminate the runoff from the coal piles into the river.

Foster Wheeler

The Foster Wheeler proposal would cost the University \$297 million. It would expand the coal- and gas-fired southeast plant and close the main plant but continue to handle coal and store oil at the main plant. The southeast plant would burn 63 percent coal, 25 percent gas, 7 percent wood, and 5 percent oil. The St. Paul plant would be renovated to burn

90 percent gas and 10 percent oil. Construction would be completed July 1, 1997 and would cost \$86 million.

The advantage of the Foster Wheeler proposal is that it includes a "cogeneration" component, which amounts to capturing excess steam at the plant to produce electricity. The proposal would reduce the amount of electricity the University has to buy from NSP and it would reduce pollution created by electricity production. Foster Wheeler also would apply for U.S. Department of Energy funding, which could save the University an estimated \$55 million.

NSP

NSP's \$349 million proposal would expand the southeast plant and close the main plant, but retain coal handling and oil storage at the main plant. The southeast plant would burn 89 percent gas and 11 percent oil, as would the renovated St. Paul plant. Construction would be completed by December 1996 at a cost of \$30 million.

The biggest disadvantage of the NSP proposal is that it would require more fuel because of a lower fuel-efficiency commitment and it would rely more heavily on older equipment than do the other proposals. Of the three proposals, NSP's would leave the University with the least valuable heating plants at the end of the contract period.

The three vendors improved their proposals greatly since the February 8, 1991 regents meeting, when administrators were instructed to negotiate with the three vendors simultaneously, Markham says. Technical, engineering, and environmental improvements were made to the proposals, which dropped \$30 million to \$50 million in price.

"We didn't expect to have a photo finish," says Bob Erickson, senior vice president for finance and operations. "I am convinced that this is the proper recommendation and that it appropriately frames the issues." ■

The president's report on the governor's budget proposal

Governor Arne Carlson is proposing that the state continue to whittle away at the University's budget. This time, the state would cut the University's 1992-93 budget by \$25 million, which would be permanent cuts amounting to \$50.4 million per biennium.

The 1991 legislature reduced the University's biennial appropriation by \$27 million—\$16 million this year plus \$11 million next year. The proposed cuts, which amount to 5.4 percent of next year's budget, would mean a \$52 million reduction in this year's biennial budget appropriation.

President Nils Hasselmo told the Board of Regents earlier this month that the budget cuts are being proposed in the following areas:

- Postsecondary education option subsidies, \$865,000
- Operations and maintenance, \$19 million
- Agriculture special appropriation for the experiment stations and extension services, \$2 million
- Health sciences special appropriation, including medical research and the rural physician program, \$958,000

- Institute of Technology special appropriation, including the Minnesota Geological Survey and the talented youth mathematics program, \$197,000

- System special appropriation, including the Bell Museum, the Minnesota Supercomputer Institute, and women's athletics, \$1 million

The proposal is now being considered by the legislature. University administrators have again started building a case against further reductions in funding.

The budget cuts are being felt by everyone at the University, Hasselmo says. Students have been hit hard by tuition increases, faculty and staff lost 3.5 percent in purchasing power because of no salary increases this year, and more jobs are in jeopardy. The cuts imposed by the 1991 legislature resulted in at least 677 layoffs and terminations. The proposed cuts would mean almost as many lost jobs.

Hasselmo says he is particularly worried about the effects the cuts would have on the Undergraduate Initiative. Program cuts would have

to be phased in, meaning the University would start next fiscal year \$25 million in the hole and in search of places to cut immediately. Those places would probably be in areas like teaching and research assistants, advisers, supplementary faculty, and instructional equipment—elements that would directly affect undergraduate education.

"We have made very significant progress in the Undergraduate Initiative," Hasselmo says. "Delaying further progress or rolling back the progress already made would be an absolute disaster for the state and for the University.

"Our best talent—the faculty, staff, and student talent that defines the quality and productivity of the University—is nationally mobile talent that the state of Minnesota cannot afford to lose. The surest way to lose that talent is to allow them to read a message that the state isn't willing to put its money where its mouth is." ■

FOOTNOTE

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☐ March 31, 1992

☐ Volume 5, Number 15

☐ Published by the Faculty Consultative Committee

Comparing paychecks:

University faculty rank well behind the faculty at peer institutions

If University faculty members ever wanted to know exactly how low they ranked salarywise compared to faculty members at other research universities, they now have current figures in black and white. Of course, the news may be hard to swallow.

A March report by the American Association of University Professors (AAUP) reveals that faculty salaries at the Twin Cities campus rank close to the bottom compared with faculty salaries at the top 31 research universities in the country. In terms of quality, the University ranks 16th.

The quality ranking was assigned in 1984 by the Task Force on the Quality of Graduate Education and Research, a national group that rated the 200 research universities on the quality of their graduate programs and research. The top 31 universities represent the University's peer institutions, says Robert Sloan, professor of geology and geophysics and president of the AAUP's Twin Cities chapter.

Although the University sizes up well with its peers in terms of quality, it doesn't measure up when it comes to salaries, especially when you're talking about full professors. Full professors at the University rank 28th out of the 29 peer universities that reported salary information. Only the University of Wisconsin ranked lower.

Average salaries for University professors are \$63,000 this year, which is \$13,429 below the mean of the other 28 universities. In the Big Ten, the University's average salary for professors ranks 9th, ahead of Wisconsin and Michigan State.

Associate professors at the University fare a little better, but are still toward the bottom of the

list. Their average salary is \$45,900, 25th out of 29 and \$6,090 below the mean. The only Big Ten schools with lower averages are Wisconsin and Indiana.

Assistant professors rank 22nd out of 29. They average \$40,000 a year, or \$3,771 below the mean. Five Big Ten universities rank higher than the University: Michigan, Illinois, Northwestern, Ohio State, and Iowa.

University instructors are in the top two-thirds of the 21 peer universities that reported average salaries for instructors. The University pays its instructors an average of \$33,000, or \$821 below the mean.

Overall, the University's mean salary for all faculty members with nine-month assignments was \$53,200, which ranked 26th and was \$9,900 below the mean of the other 28 peer universities. Total compensation, including benefits, was just as low.

That's the bad news. But it gets worse.

Faculty salaries are on the decline. At this time last year, the situation wasn't nearly as bad: Full professors were \$10,500 behind those at the other 28 peer universities, associate professors were \$3,700 behind, and assistant professors were \$1,800 back. Instructors were actually \$1,200 ahead of the peer group.

That means that within one year, full professors at the University fell behind their peers by almost \$3,000. Associate and assistant professors and instructors fell back by at least \$2,000. That trend is apparently escalating, Sloan says. "It continues to look worse each year. This year, it really bottomed out."

Part of the reason for the decline

is salary increases—or the lack thereof. The average faculty salary increase at the peer universities between 1989 and 1990 was 9.6 percent; the University received 9.3 percent. This year, the average increase was 2.75 percent at Big Ten schools and 4.6 percent at peer universities; the University received 0 percent. "University salaries have been underfunded for the last 20 years," Sloan says. "It's been about 3 years out of 20 when we got a raise that was bigger than the cost-of-living increase. We clearly must have at least the 5 percent raise currently in planning, despite the state budget crunch and shortfall, if not a little more."

About 325 faculty members in Duluth and 40 more in Waseca may be assured a 5 percent salary increase if the University Education Association (UEA) ratifies a proposed contract for 1991-93. The tentative settlement, which members will vote on March 31 through April 6, contains no salary increase this year but a 5 percent increase next year. It also contains some minor adjustments for minimum salary levels, promotion, and comparisons with equivalent ranks in the Twin Cities.

Even a 5 percent increase system-wide would not allow faculty members to keep pace with their counterparts in the state university system. The Inter-Faculty Organization (IFO), which represents the state university faculty, ratified a 1991-93 contract that calls for a 1 percent increase for the current year and a step increase next year, which equates to about 5 percent.

The IFO is waiting for the legislature to approve the contract.

Salaries, from previous page

Faculty members at Minnesota's community colleges fared about the same. They settled their 1991-93 contract earlier this year, with a 2 percent increase this year and a possible step increase of about 5 percent next year.

The step increase will only be available to about one-third of the faculty members, about 60 percent of whom would receive the increase for the whole year because of their anniversary date. About 22 percent would receive the increase starting winter quarter and 18 percent would get it starting spring quarter.

The fact that the University is lagging behind the state university system and the community colleges in terms of salary increases is nothing new, even though the University has a unique mission that includes research, Sloan says. The state legislature must decide if it's willing to let the University's quality decline by allowing the

salary trend to continue.

The decline in the University's research and graduate education can be traced back to a similar ranking in 1957, when the University ranked 10th in the nation. Less than 30 years later, the University was passed up by six more universities.

Salaries have experienced a more drastic decline. In 1979-80, the University's salaries were in the middle when compared with salaries from peer universities. They've been sliding ever since, Sloan says.

Newly hired faculty members aren't the ones who are being affected the most, Sloan says. In fact, new faculty members hired at the University are paid the same as if they were hired at any other top university. The problem arises after they've worked at the University for a number of years; their salaries don't keep up.

It's getting more expensive to hire new faculty members, too. A competitive salary is a small part of the cost. The University can also get stuck with a bill of between \$50,000 and \$500,000 for a new faculty member's lab equipment.

The state has basically two options to reverse this trend, Sloan says. It can continue reducing the number of faculty, which leads to a reduction in quality, or start funding the University with an adequate amount. "Considering the amount of money the University brings into the state, reducing the number of faculty would be like shooting yourself in the foot," he says.

An increasing number of faculty

retirements throws another factor into the equation. There are not enough new faculty to replace those who are retiring, meaning that research universities are having to hire faculty with less research potential, which ultimately reflects on the University's quality.

In addition to the disparity between faculty salaries at the University and those at peer universities, a disparity exists between the salaries of higher-ranking faculty members at the University and assistant professors, Sloan writes in his report. "Our rank salary distribution is very peculiar compared to any other group of schools. It is clear this has resulted from the need to pay market prices for new hires, and the cost of meeting the market has clearly risen much faster than the increases the University has been able to pay.

"It is very clear that salaries at the University of Minnesota have been underfunded with respect to our peer groups, both in state and out of state, especially since 1980. The partial recovery we made in 1989 has been lost and we are now worse off than we were at any time in the past. The average full professor here has already lost the equivalent of two years salary to the raises over the decade from 1972 to 1983 that were far below cost of living. The continuing low salaries will further aggravate this problem. With retirement coming up for this age group, we do not dare to penalize them any more, each cut in yearly income comes right out of the retirement earnings." ■

FOOTNOTE

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Managing Editor: Geoff Gorvin
Copy Editors: Mary Lopez, Nancy Rowe

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The University of Minnesota is committed to the policy that all persons shall have equal access to its programs, facilities, and employment without regard to race, religion, color, sex, national origin, handicap, age, veteran status, or sexual orientation.

Task force will study student employment

The policies and practices governing on-campus student employment will be reviewed this spring by the soon-to-be-formed Task Force on Student Employment. The task force will examine student employment as it relates to such things as graduation rates, retention, and community building.

The review was not initiated

because of deficiencies in the system, but rather as part of a review of all the student affairs programs, says Marvalene Hughes, vice president for student affairs.

But the findings and recommendations of the task force may help resolve some of the University's bigger issues, she says. The overall goal is to maximize academic

success for students.

Some of the issues that the task force will review include:

- the relationship of financial aid and student employment
- the relationship of student employment and graduation
- the advantages and disadvantages of student employment
- the impact of student employment on academic adjustment and retention
- student wages
- student employment as it relates to equal employment opportunity
- establishing a maximum number of years and hours per week that students can work on campus
- labor relations
- special employment issues faced by international students, such as visa status

Student employment is a major component of the University. The University has some 6,000 to 7,000 undergraduate jobs, which is about average for a university of this size, Hughes says. Students earn about \$39 million a year—\$110 million if graduate assistants are included. Campus jobs pay at least \$6.05 an hour—\$6.56 an hour on average.

"Student employment is a very important part of our campus," Hughes says. "The campus really depends on it."

But on-campus jobs can also be a deterrent to graduation. Hughes speculates that, because on-campus jobs pay fairly well and jobs outside the University are hard to come by, students may get comfortable with their campus jobs and delay graduation to avoid what could be an unwelcoming job market.

One of the study's main points is the sense of community that on-campus jobs instill. Hughes says students who take classes on campus, work on campus, and live on campus feel more like a part of the campus community, which is supposed to ultimately lead to higher performance levels and better retention and graduation rates.

"That was one of the triggers for the review," Hughes says. "It's clear that on-campus student employment is a key bonding variable to the campus. If students go to classes and work on campus, their lives will become more holistic."

Hughes has observed that

students view on-campus employment as nothing more than a job. But it can be—and should be—more than that. On-campus employment should provide students with career development and work experience. And by hiring students, the University gains a pool of qualified employees for part-time vacancies.

The career-development and learning aspects of on-campus student employment are critical, Hughes says, but are usually overshadowed by students' need to generate income. And as tuition continues to increase, more students are looking at jobs merely as a way to keep their college educations alive.

Wages and tuition are currently unrelated. However, as the task force studies the relationship of on-campus employment to financial aid, the relationship of tuition and cost of living will probably enter the picture, Hughes says.

The Senate Consultative Committee (SCC) discussed the student employment issue in March and suggested that the task force study off-campus student employment as well. The SCC also discussed the impact of a proposal to lower student wages in order to increase the number of on-campus jobs. One result of that idea, though, could be that students would then have to work more hours and find additional jobs to earn the money they need.

A working group (Reed Carpenter, associate director of financial aid; Darwin Hendel, research associate for academic affairs; Susan Treinen, director of student employment; and a faculty member who will also chair the task force) will spend about two weeks collecting information to pass along to the task force. The task force, whose membership hasn't yet been finalized, will then have until June 1 to submit its recommendations. ■

Health plan proposal fails; regents rescind policy

University employees will continue to get their health insurance through the state for the next several years. Bob Erickson, senior vice president for finance and operations, recommended to the Board of Regents in March that the University not separate its health plan from the state's.

The Health Plan Task Force had narrowly approved a plan in which the University would separate from the state health plan and provide employees with four health plan options of its own. But at least three faculty groups and the Civil Service Committee voted against the plan for a variety of reasons.

Central administrators told the regents that the issue may not be revisited for another four to five years because the process is time-consuming for employees on the task force and expensive in terms of hiring a consultant. Also, the University may now have a credibility problem with the health insurance providers that submitted bids.

But the University will not drop the issue entirely. President Nils Hasselmo told the regents that the University should maintain the information that the task force obtained and should continue to study its health insurance needs and its options. The task force may be maintained in some form as well.

The regents agreed with Hasselmo but felt uncomfortable about leaving the resolution that outlined the health care plan principles and guidelines on the books. Regent Ann Wynia said she interpreted the resolution as allowing administrators to change health plans without review and action by the board. The regents unanimously approved Wynia's motion to rescind the resolution.

Hasselmo suggested that the board return with a set of principles for administrators to follow as they continue to evaluate health care plans. ■

□ THE CHAIR'S REPORT

By Tom Scott
Chair, Faculty Consultative Committee

With one quarter of the year left, it is appropriate to comment on recent events and look at what lies ahead for the governance system.

Preventing undesirable things from taking place can make as important a contribution as causing good ones to happen. An excellent example was the faculty's role in derailing the health plan proposal, which received unanimous opposition from the faculty representatives on the Health Plan Task Force, the Senate Committee on Faculty Affairs (SCFA), the Senate Committee on Finance and Planning, and the faculty and student consultative committees. Those groups, along with the special meeting of the University Senate, all made it possible to send a clear message to central administration. As a result, the proposal was dropped and the Board of Regents stipulated that any subsequent action would require its approval.

We have expressed appreciation to senior vice president Bob Erickson for his leadership in this matter and have urged him to find ways to make the University's voice more effective in negotiating the characteristics of the state plan, inasmuch as University staff represents about one-third of the state's health plan group.

In particular, we are indebted to the faculty members on the task force who prepared thoughtful statements on the proposal and made them publicly available: professors Avner Ben-Ner, Roger Feldman, Richard McGehee, and W. Donald Spring, and professors emeritus Robert Hexter and George Seltzer.

Several important issues need to be resolved by senate committees and, perhaps, brought to the senate this spring; I'll mention two. One is the review of the grievance system by a task force chaired by professor Mario Bognanno. The other is a redrafting of current policies on academic misconduct, which is being prepared by associate dean Mark Brenner with advice and counsel from the Faculty Consultative Committee.

Two other major undertakings

are in the works; the first, under the leadership of professor Morris Kleiner and SCFA, is the drafting of a set of policies on the processes and substance of the academic salary plan. The second is a set of policies addressing concerns about faculty work load.

Finally, the University still faces a major reduction in its 1992-93 budget in addition to the cuts already approved in principle by the Board of Regents. The amount of the cut will not be clear until the legislature adjourns later in April, but proposals for dealing with the losses are already under consideration. Again, as in the fall, there appears to be virtually no support for faculty and staff going a second year without a salary increase. The general feeling seems to be that the damage to our ability to recruit and keep our best faculty and staff—both now and in the foreseeable future—would be irreparable, particularly in light of the data provided elsewhere in this issue. We continue to convey this view to the president and the senior vice presidents, and we are assured that their commitment remains as strong as ours. ■

FOOTNOTE

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FOOTNOTE

□ April 14, 1992

□ Volume 5, Number 16

□ Published by the Faculty Consultative Committee

Tackling diversity:

Several University groups take on this complex and challenging issue

When you talk about diversity at the University, the facts and figures are encouraging: students of color make up nearly 8 percent of the student body. The number of faculty of color is on the rise. The second annual forum on diversity is scheduled for May. And a task force has been passing along recommendations to central administration on how to improve diversity at the University.

The general consensus is that the University has come a long way in improving diversity. But it also has a long way to go.

Part of the reason that diversity is improving at the University is the Task Force on Strengthening Excellence Through Diversity. Formed in 1989, this 31-member group of students, faculty, staff, and administrators has made a substantial number of recommendations to help central administrators meet the University's diversity goals.

These goals are to improve the retention of students of color by 50 percent, to double the hiring of faculty of color, and to increase enrollment of students of color to 10 percent of total enrollment, all by 1994.

Last year, the task force focused on recommendations strengthening the University's ability to recruit, retain, and graduate students of color and improving the University's ability to increase and maintain the number of faculty of color. These objectives alone resulted in 49 recommendations.

This year, the task force is focusing on five areas:

- improving resources for undergraduate and graduate students
- examining how the "common point of entry" affects enrollment

and success of students of color

- coordinating and developing programs for students of color on all campuses
- developing incentives for faculty involvement in diversity initiatives
- considering strategies that will communicate to the various communities that the University's efforts are in good faith.

"I don't have a finger on the pulse of the campus, but I feel there's a strong commitment by those areas of campus that are involved with the diversity issue," says Richard Skok, dean of the College of Natural Resources and task force chair. "One thing that came through during the discussion by the task force was the importance of keeping goals like this clearly in front of you in all policy and decision making."

Although the task force made many recommendations, not all of them should or could be implemented immediately, Skok says. The administration has to set priorities and implement as many recommendations as possible with those priorities in mind.

The task force this year gave the highest priority to issues involving undergraduates and financial assistance. "If you move toward recruitment and retention of students of color, that really needs top-drawer assistance," Skok says.

Establishing a comfortable environment was also a high priority, because the task force felt that for faculty and students of color to be successful, they need to feel accepted into the University community. That involves a lot of dimensions, Skok says.

"The discussions I hear are that

we're successful in recruiting faculty of color, but two or three years down the road we lose them," he says.

Four subcommittees—administration, recruitment and retention, undergraduate resources, and graduate and professional resources—developed recommendations. Each group was instructed to examine the common point of entry to ensure that students and faculty of color are represented fairly in the academic units, to identify recruitment and retention problems, and to determine ways to increase recruitment and retention. Here are some highlights.

Financial aid

• Every prospective applicant should receive estimates of available financial aid packages before or shortly after applying to the University. This will help the University compete with private schools to attract high-ability students, since many private schools can quickly estimate available financial aid.

• Financial aid estimates for students of color should be guaranteed for the first year. The University is able to estimate financial aid packages with a high degree of reliability, and guaranteeing aid would help eliminate the uncertainty about financial aid that first-year students face.

• After using available federal and state resources, financial aid packages for students of color should involve grants to cover 100 percent of their financial needs. As a result of federal and state funding being targeted for need-based awards, the estimated cost to the University

Diversity, from previous page
should be contained.

- Financial aid funds should be reserved later in the application process specifically for students of color because many qualified applicants apply late in the application process.

Community building

- The number of students of color should be increased by targeting transfer students. A more clearly defined policy with respect to students of color should be developed with community and tribal colleges.
- The University should establish an ongoing series of meetings with community leaders to provide them with information about financial aid opportunities, minority support programs, and the admissions process. The meetings should allow community leaders to work with University offices and departments

FOOTNOTE

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Managing Editor: Geoff Gorvin
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to modify and develop recruitment strategies.

Faculty of color

- The University should provide funding to assist colleges in appointing and retaining faculty of color.
- With the additional funds, the University should encourage colleges to appoint outstanding minority doctorate, medical, or law graduates to postdoctoral or adjunct faculty teaching positions with the potential of being hired in tenure-track positions.
- Each college and department should establish a program to encourage development of all new faculty, especially faculty of color, in their teaching and scholarship. The University should provide resources to encourage the development of junior faculty of color. These resources should include research grants and other career-enhancement assistance.

Focus on graduate and professional students

The graduate and professional resources subcommittee invited proposals from all graduate and professional units on how they would use grants to better recruit and retain students of color. Of 16 proposals submitted, 11 were funded with about \$5,000 each.

Some of the projects implemented last year:

- bringing qualified students of color to campus for interviews with faculty and graduate students
- providing paid internships with area theaters
- providing tutorial support for students of color in molecular biology
- developing study groups for students of color
- offering special orientation programs for graduate students of color in which they identify strengths and weaknesses in their study skills and academic preparation.

This year, the subcommittee emphasized retention and graduation. "Students of color who complete our graduate or professional programs would be our best recruit-

ers," subcommittee chair Sally Jorgensen says. "It's important to get those people through. We're trying to get information on all of our graduate and professional students of color to determine where they are in the program and what problems they're having so we can help them complete the program."

The subcommittee is also working hard on recruitment. During winter break, for example, a workshop was conducted to inform students of color about procedures for getting admitted into graduate school. This summer, a program on graduate education will be held to inform and recruit students of color who are in the Twin Cities for the University's undergraduate summer research programs. The subcommittee also is trying to contact the students of color who participated in this year's National Conference on Undergraduate Research. Of the 1,200 students who participated in the conference (held at the University), 240 were students of color.

"Our major emphasis is on recruiting people in Minnesota who are undergraduates looking for a graduate or professional school," Jorgensen says.

In addition to making recommendations to administration, the task force is also working with administrators to help establish priorities and implement the existing recommendations. "We're trying to be helpful and not just an oversight committee," Skok says.

"I think we had a very productive year last year. I've been very pleased with the people on the task force and those who worked with the task force. The real thing we're trying to do is not make these recommendations just another set of recommendations that get set on a shelf somewhere."

The All-University Forum on Diversity also plays a role in highlighting the University's human resources as a tool to improve diversity.

This year's forum is scheduled for May 27 from 2:30 to 4:30 p.m. in the Earle Brown Center. Last year's event attracted some 300 participants.

Josie Johnson, a senior fellow at the Hubert H. Humphrey Institute of Public Affairs, directs the forum.

Last year, she explains, 90 faculty, administrators, and students were asked for suggestions on ways to improve diversity at the University. The results of that survey were discussed at the forum. The survey revealed, among other things, that for diversity projects and programs to succeed, they need a timetable, resources, faculty involvement, and a review at the midpoint of the project.

"This year, we developed a paradigm that would take those elements into consideration," Johnson says. Next month's forum will focus on the progress made on the recommendations that came out of last year's forum and the general progress made to improve diversity during the past year.

Among the forum's accomplishments this year is the completion of a spring calendar of University events that emphasize diversity. The events range from multi-ethnic concerts to monthlong art exhibits.

"I think people are aware of diversity," Johnson says. "We haven't figured out how to gain the synergy of everything that is going on, though. We need for the left hand to know what the right hand is doing and how to maximize resources. We need a clearinghouse for that."

Diversity is being addressed by many other groups as well, such as the Student Diversity Institute in Coffman Memorial Union. The institute, established by the Office of Student Affairs winter quarter,

promotes multicultural development of students and student affairs staff. The centerpiece of the institute will be training for student affairs staff regarding diversity-related issues.

"As a whole, we have a long way to go, but we've come a long way," Johnson says. "The president is very philosophically supportive of this. We believe we have the commitment and the people. We have to help our community realize its strength. We need to create an environment that appreciates diversity—an environment that appreciates and respects the diversity that exists is the biggest area that needs work." ■

An Interview with Anne Petersen

Anne Petersen has returned to Minnesota as the University's new vice president for research and dean of the Graduate School. She was born in Little Falls, Minn., and received her bachelor's, master's, and doctoral degrees from the University of Chicago. She was dean of the College of Health and Human Development at Pennsylvania State University when she accepted her current position at the University last November.

Petersen studied mathematics and statistics and earned her doctorate in measurement, evaluation, and statistical analysis. An expert in adolescent development and mental health, she was a professor of human development and head of the Department of Individual and Family Studies at Penn State before becoming dean.

She has also served as associate director of The John D. and Catherine T. MacArthur Foundation's health program, director of the Laboratory for the Study of Adolescence in the Institute for Psychiatric and Psychosomatic Research and Training at the Michael Reese Hospital and Medical Center in Chicago, and research associate in the psychiatry department at the University of Chicago.

Petersen has been called a "superb university citizen" who quickly brought Penn State's

College of Health and Human Development into a position of national leadership. "Her work in adolescent development, specifically the intersection of biological and psychological functioning in adolescent behavior, is internationally recognized," Penn State president Joab Thomas says. "She will bring experience, know-how, wisdom, and grace to her new position at Minnesota."

Petersen will be the first vice president for research and dean of the Graduate School. The new position was created after Graduate School dean Bob Holt retired. As vice president for research, Petersen will oversee all research at the University.

"I'm very enthusiastic about the opportunities," Petersen says. "I am encouraged by President Hasselmo's framework for pursuing excellence despite the financial problems to make sure that we come out of this financial crisis in an even better position."

Footnote spoke with Petersen earlier this month and asked for her thoughts on her new position.

Footnote: Having accepted a newly created position, how do you plan to structure the position and what are some of your goals?

Petersen: For the new vice president for research office, I have

some ideas about things that I'm very interested in, including increasing collaborations with industry, fostering interests in collaborations, and enhancing the public awareness of University research in the state and nation.

I feel we also need a federal presence for the University. Dick Caldecott (assistant to President Hasselmo) is retiring, so I've been developing a proposal for alternatives.

To gain input from others, I'll be hitting the streets and talking with lots of people to hear what they think, both on campus and externally. For example, I've already been to Duluth.

Footnote: How do you plan to handle the two functions, research and the Graduate School? Do you plan to bring in a manager for one of them?

Petersen: In terms of all the functions, I need to develop a strong team. I think that works very well; it's also the way I prefer to work. I'll be looking to assemble a very strong group of individuals, each of whom can function quite autonomously and take responsibility for those areas, but we'll also have to have a lot of cooperation and communication.

I'm also beginning a review

Petersen, from previous page

process of the Graduate School. We started internally and I hope to establish a Universitywide group in May to take a look at the issues and give us advice.

Footnote: How would you assess the level of research at the University and the quality of the Graduate School?

Petersen: Minnesota has a very strong group of researchers and graduate programs. I think even faculty on campus don't know what else is going on. That lack of information is even stronger outside the University. I hope to bring things together more and increase awareness internally and externally.

Footnote: What's your assessment of the level of outside funding the University receives and what strategies do you have for attracting new funding?

Petersen: Minnesota's been in the top 10 universities in research for quite a long time and has consistently ranked at the top in terms of graduate programs as well. I really want to work very hard in these times of financial exigencies to make sure that our strength is

not only maintained, but enhanced.

I think the efforts at communication play an important role. All of the things that I identified as things that I know I want to do in the vice president for research office will serve the purpose of enhancing our strengths in research.

Footnote: What areas will you target to increase outside funding?

Petersen: I think we need to look closer at the whole area of collaborative research. There have been some outstanding collaborative efforts at Minnesota but there are other areas where we have some of the top researchers in the United States and we have not gotten those people together to react effectively to opportunities that require collaboration.

Footnote: What are your goals for the Graduate School?

Petersen: The Graduate School will become more user-friendly while continuing to maintain high standards. I've received a lot of input about instances suggesting bureaucracy and inflexibility in the Graduate School. That's really the purpose of the review—to identify the strengths and weaknesses of the

current operation and find ways to maintain the strengths while correcting the weaknesses.

Footnote: How will your background help you in this new position?

Petersen: My research background and my involvement in professional and scientific organizations related to that will help. Now, for example, I'm chairing a panel of the National Academy of Sciences and I've served on a lot of federal and foundation boards and committees. My involvement as a researcher and as a professor helps me understand the thinking behind the internal issues.

At the same time, those experiences have really persuaded me that it's insufficient to only conduct our research and educate our students. I feel we also have a responsibility to make sure that the knowledge that we generate is translated effectively to a broader audience. And, to the extent that we are studying issues of social importance, it's very important to understand the national issues. ■

FOOTNOTE

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□ April 28, 1992

□ Volume 5, Number 17

□ Published by the Faculty Consultative Committee

The final votes are in

The 1992 legislative session wasn't as bad as it could have been

When legislators finally packed up and vacated the state capitol after the 1992 session, the impact on the University was bad but not as bad as it could have been. At least that's the word from the University's legislative lobbyists.

When the session began, the University faced a proposed \$25 million budget cut, uncertainty over funding for some major construction projects, and a bill that would flip-flop the instructional funding formula. But in the end, the University only got cut about \$16 million, it was included in one of the most favorable bonding bills ever, and the funding formula was left intact for at least another year.

"I think we did well in the present context of fiscal constraints," says Virginia Gray, a political science professor and legislative liaison for the Faculty Consultative Committee. "It's still going to be painful, but it's better than we thought going into the session."

One of the few highlights that came out of the session was a bonding bill that included \$61.9 million for the University. Most of that amount will be used to construct the \$62.7 million basic sciences and biomedical engineering building, which will replace the zoology and botany buildings. The bonding bill included \$52.7 million for the new building; the remaining \$10 million will come from the U.S. Department of Defense.

The additional \$9 million in the bonding bill will fund various campus safety improvements, such as bringing more than 150 buildings up to fire code standards, upgrading access for people with disabilities, removing asbestos, repairing Duluth's water system, and improv-

ing Morris's electrical system.

The fact that the University did well in the bonding bill and escaped with a smaller cut than what was initially proposed indicates that attitudes about the University may be improving, Gray says. "The assessment of the University is becoming better; it's more positive than last year."

A favorable attitude is not a fluke, however, as University lobbyists like Gray have worked hard to educate legislators on the University's value to the state. They use examples like the \$58 million reallocation project and the undergraduate initiative as examples of the types of programs the University is undergoing to better itself during difficult financial times. "Those efforts are beginning to bear fruit," she says.

The University was also included in several nonmoney bills that were discussed during the session, including the crime bill, which passed into law.

The crime bill requires the University to strengthen its sexual violence policies and curricula. The University must submit information to the Higher Education Coordinating Board (HECB) about existing courses and programs that relate to violence. The HECB will then make recommendations on how the University can strengthen its curriculum in that area. "This could be interpreted as interfering with our academic freedom," Gray says.

Nonmoney bills that didn't pass included a requirement that undergraduates conduct 20 hours of community service before they graduate and a requirement that all University committees, task forces, and advisory groups have student

representation.

"(The student rights bill) may have some merit, but the legislature doesn't seem to understand how universities are governed," Gray says. "It's not the legislature's role to determine how we govern ourselves." The University includes students on most of its committees and task forces, but not on those where it's not considered appropriate, like promotion and tenure review boards and search committees.

Gray says that the bill requiring students to conduct 20 hours of community service was ill-conceived because the University's new liberal education guidelines already require students to take either two ethics courses or one course that gets them out into the community. There are also a host of problems with the idea. "The problem is coming up with appropriate placements, overseeing it, things like that," she says. "It would be time-consuming and expensive and we found that volunteer organizations don't want a bunch of untrained kids. We may see the concept back again next year but I don't know in what form."

"The common thread here (with nonmoney bills) is that when there is no money, the legislature thinks of ways that we can help the state address certain problems," Gray says. "But they're not giving us any money to meet these mandates."

The next legislative session doesn't look much better, Gray says. The University can expect another budget cut and faculty work load will receive a thorough discussion. The work-load issue wasn't discussed this session even though the state's higher education systems were

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instructed to provide the legislature with information—student contact hours per faculty member, outside funding levels, etc.—about how faculty spend their time.

"Our pitch will be that we have three missions and we can't be measured by just one mission," Gray says. University lobbyists will also continue to correct misconceptions: that the University has a faculty for graduate education and a faculty for undergraduate education, and that grant money doesn't go directly into the pockets of those who receive the grants; salaries are unaffected.

The concept of the so-called Waldorf Bill will also return next session. The bill flip-flops the state instructional funding, resulting in tuition doubling, state funding being cut in half, and financial aid tripling. ■

FOOTNOTE

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Managing Editor: Geoff Gorvin
Copy Editor: Mary Lopez

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The University of Minnesota is committed to the policy that all persons shall have equal access to its programs, facilities, and employment without regard to race, religion, color, sex, national origin, handicap, age, veteran status, or sexual orientation.

Offices will merge but personnel services won't be decreased

Nearly 30 years have passed since the University had a single office that conducted personnel business. Since the mid-1960s, personnel matters have been divided up between the University Personnel Department and the Office of Academic Personnel, part of Academic Affairs.

But this will change as early as this summer. Central administrators have decided to return to a single office, a move that is expected to increase efficiency and improve service.

"There will be no reduction in services," says Carol Carrier, associate vice president for academic affairs. "We want to administer human resources more effectively than in the past."

The two offices currently serve similar functions but for different employee groups. The University Personnel Department serves primarily civil service personnel and union members. The Office of Academic Personnel serves faculty, academic professional and administrative staff, and graduate assistants. The two offices have similar responsibilities, such as administering personnel policies and maintaining employee data bases. But each office has its own data base.

Merging the two offices will reduce duplication and confusion and result in a more streamlined and coordinated human resources operation. The new office will provide "one-stop shopping" for personnel information, policies, and services for all employees, while recognizing that each employee group has unique needs and traditions that need to be preserved.

A single personnel office will also emphasize outcomes instead of processes; it will become more accountable for helping employees get service quicker and with less bureaucracy and paperwork. And the merger will allow the Univer-

sity to redirect resources toward high-priority areas and provide comprehensive professional development opportunities in a systematic and coordinated fashion.

Carrier says she knows that some faculty members are concerned about the future of some of their most valued processes, such as the central-level review of promotion and tenure dossiers. But those processes are safe, she says. "We'll be combining offices while maintaining the integrity of those processes."

Should a merger take place, at least two factors remain unknown: whether positions will be eliminated and what the financial implications will be, Carrier says. Should a downsizing be necessary, the consolidation study should help determine how to best allocate resources.

The cost of such a merger and the long-term savings haven't been calculated, but those figures are affected by many factors, including the number of employees represented by unions, government regulations, and the need for training.

The merger of the two offices won't occur overnight. Carrier and personnel director Roger Forrester hope to make a formal recommendation to the two senior vice presidents by July 1. Implementing the merger could begin shortly after approval is given and could take up to a year, Carrier says.

Carrier and Forrester have discussed the merger for more than a year. Last year they presented some options to President Nils Hasselmo and his cabinet on how they could streamline their departments. A merger was one option, as was maintaining separate offices but combining their functions, and decentralizing personnel functions by assigning them to each campus and college.

Carrier and Forrester formed the Human Resource Consolidation Advisory Group to help them identify the best option and to study the issue further. The group comprises human resources experts from the University, the state, Hennepin County, and six private Twin Cities corporations. An outside consulting firm—PRISM, Inc.—was hired to help collect information and develop strategies

for combining the two offices.

PRISM consultants are interviewing personnel staff members, employees who use the two offices' services, and University advisory and governance committees. PRISM is now analyzing the information and is expected to make preliminary recommendations by June.

Some personnel functions have already been consolidated, including employee benefits, the Career

Transition Center, and labor relations, Carrier says. Those consolidations have been very successful.

Carrier and Forrester will continue consulting with University groups and are accepting any comments and suggestions. "We're doing this as openly as we can and with as much consultation as possible," she says. "We're trying to make it thorough and open to our constituents." ■

Report: University is an economic engine

Everyone has heard the familiar battle cries coming from Morrill Hall during the heat of the legislative sessions. They go something like this: "The University is the state's largest single employer, with more than 35,000 employees!" "Only a third of the University's \$1.5 million budget comes from the state; the other two thirds comes from tuition and outside funding!" "University research is vital to the state's science and technology fields!" And, "The University drives the state's economy!"

That last battle cry is the basis for a report that was released earlier this month by a 13-member task force chaired by G. Edward Schuh, dean from the Hubert H. Humphrey Institute of Public Affairs. "The University of Minnesota as an Engine of Economic Growth" is a handy compilation of those battle cries and more, including a wealth of facts, figures, and case studies to substantiate them. The University has mailed the report to state legislators.

The basis of the report is that state expenditures on the University are not consumption items, they're investments. And cutting the University's budget is detrimental to the competitiveness of the state's economy, the future incomes of its citizens, and the state's ability to attract high-quality resources from outside the state.

A continued decline in University support could have drastic results, the report says. Lost jobs, a reduction in potential income and employment throughout the state, and a decrease in the University's ability to attract out-of-state money are direct results of lost revenue from the state. Those problems

could lead to others, such as the loss of faculty, a deterioration in the quality of education, and an inability to attract research-intensive companies to the state.

Here's a quick look at how the University benefits the state, according to the report.

- The University's scientific and technological advancements are among its most significant contributions to the state's economy. The University contributes to increased productivity with improvements in technology, in organizational and institutional performance, and in producing a knowledgeable labor force.

Increasing productivity has far-reaching economic effects, the report says. It means financial savings for families, increased incomes and employment, and a competitive edge with other countries or states.

Aside from producing new technology, the knowledge base generated at the University can be used to combat problems in society that have both social and economic costs. Examples are cancer, AIDS, aging, and environmental issues.

And organizational improvements make it possible to bring together large numbers of people and resources to realize economies of size. Other improvements help to integrate varied sectors of the economy. This would allow the state to make better use of its resources and promote economic growth.

Estimates show that the social rate of return on investments in technology and science is between 50 percent and 100 percent.

- The University's educational programs produce a highly skilled

labor force that attracts industry, entrepreneurial talent, and capital from outside the state.

- If the University remains among the top research and education universities, Minnesota students will be more likely to become employed in the state, and the University will be able to attract out-of-state students, many of whom will stay and work here.

- The University's arts and humanities programs contribute to the state's economic health and quality of life by making Minnesota an attractive place to live.

- The University captures new knowledge and technology developed in other countries, helping Minnesota remain competitive.

- University scientists and professionals have developed relationships as advisers and consultants with private and public agencies and companies. The private sector taps into the University's resources and provides financial support for its research.

"The state of Minnesota has important choices before it," the report says. "It can make the investments needed to sustain its highly productive economy and to compete in a national and international economy that is increasingly based on science and technology. Or it can allow its economy to lose its competitive edge and drift into economic decline and decay, with its highly qualified labor force and capital shifting to other states in the nation and to other countries. If it chooses the former, it needs to continue to protect and enhance the investments it has already made in the University of Minnesota." ■

□ THE CHAIR'S REPORT

By Tom Scott
Chair, Faculty Consultative Committee

In addition to its regular and frequent consultation with President Nils Hasselmo, the senior vice presidents, and its steering committee functions with respect to University Senate committees, the Faculty Consultative Committee (FCC) also meets occasionally with the Board of Regents. In recent years, the typical pattern has been for the FCC chair to "report" to the regents two or three times a year—I have written about those reports in *Footnote*—and the full committee is treated to lunch with the regents once a quarter.

An infrequent but not unprecedented event occurred at our last meeting when we welcomed the chair of the Board of Regents, Elton Kuderer, to discuss with us topics of mutual interest. Regent Kuderer is the source of one of my favorite lines—he explained to me once after a meeting had gone on much too long that it was a case where, "everything had been said, but not everyone had said it."

We began by talking about the process by which the board annually reviews the president's work. In effect, a board committee meets with representatives of various

University constituencies and prepares a report that is discussed with the president, acted on by the regents, and then released as a public document.

We agreed with Regent Kuderer that there is great value in the public elements of the review and that they are certainly consistent with the president's emphasis on accountability. But we urged him to bear in mind that the review document needs to be balanced in its assessments, giving appropriate weight to the various issues discussed.

Since the FCC is one of the groups consulted by the Regents Review Committee, we also discussed how other faculty members can express their views and we agreed that the best and most appropriate way is to forward whatever perspectives they might have to me or to other FCC members, who in turn will report them to the regents.

This led to a more general discussion of relations between the faculty and the Board of Regents. FCC members said they are generally satisfied with current practices for maintaining those relationships,

and concluded after some consideration that there seemed to be little value in revisiting a proposal of some years back to add a faculty member to the board or to its committees.

Regent Kuderer then took some time to explain the board's action on the steam plant issue, both the process and the substance, and recommended for further elaboration the statement read at the board meeting by Regent Jean Keffeler. He concluded his visit with us by urging closure on the grievance system review and asking how we felt about the possibility of a policy for smoke-free buildings on campus. With one notable exception, the committee voiced support for such a policy.

Aside from the fact that Regent Kuderer had to buy his own lunch, as did the rest of us, it was a good meeting and reflected what have been good relations between the faculty and the board despite inevitable differences of opinion on some issues. I thanked Regent Kuderer for inviting himself to meet with us and indicated that he was certainly welcome to do so again. ■

Student summer teaching positions are open in Minneapolis

The Minneapolis Public Schools Summer Walkabout program has 60 summer teaching positions that are open to all University students. No teaching experience is required.

Students teach from 8 a.m. to 1 p.m. Monday through Thursday,

June 22 to August 6. The jobs pay \$6.05 an hour. Apply by May 17 at the Student Employment Center, 120 Fraser Hall, or call Community Service Programs at 624-4814 for more information. ■

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☐ May 19, 1992

☐ Volume 5, Number 18

☐ Published by the Faculty Consultative Committee

Sounding like a broken record:

The 1992-93 budget calls for more cuts and layoffs

More budget cuts. More layoffs. More program reductions. And more to come.

As the University hammers out its 1992-93 budget, some ugly trends are becoming apparent and could significantly affect the way the University does business in the future. Next year, the University faces another reduction in state funding—\$15.7 million this time—which translates to 300 more position cuts and an undetermined number of program cuts. And the future doesn't seem to be any brighter. Things like tuition revenue and outside funding may have to play a larger role in enabling the University to do what it does best: educate.

Central administrators are calling the 1992-93 budget a flat budget, meaning that the \$15.7 million reduction in state funding will be offset by a \$19.6 million increase in tuition revenue, which will be generated from the 9 percent tuition increase levied by the University last fall.

Tuition revenue increased this year from \$137 million to \$151 million and is projected to be \$171 million next year.

Meanwhile, state appropriations are steadily slipping: \$462 million in 1990-91, \$447 million this year and \$435 million next year.

That's a wash for the third consecutive year, central administrators say, but it doesn't mean the University is not staring at a deficit. Expenditures next year are expected to exceed resources by about \$42 million. The biggest piece of those expenses—\$38 million—is the 5 percent salary increase for faculty and staff that central administrators will allocate next year regardless of the budget situation.

So where will the \$42 million

come from? It won't come from another tuition increase, President Nils Hasselmo says, and the salary increases are safe, too. Instead, more programs will be cut. Last fall, the Board of Regents approved cutting \$24.6 million in programs. That leaves another \$17.5 million worth of programs on the chopping block.

Central administrators have not yet determined which programs will get cut to cover the \$17.5 million shortfall. The specific cuts will be in line with the cuts approved by the regents last fall, says Jim Infante, senior vice president for academic affairs. Administrators will update

the regents as program cuts are identified. "Making \$17 million in cuts in two months is almost impossible," he says.

In the meantime, central administrators will resort to using reserve funds to bridge some of the cuts as the University enters the next fiscal year. The University will set aside \$2 million from its reserves to support employees who are laid off, Hasselmo says. Another \$8 million will be used to phase in changes within units. But those phase-in funds are meant to be paid back to the reserve fund after the program

Budget, next page

Additional program cuts

University Program	Operations & Maintenance	State Specials	Total
Administration & Support	-\$2.5 million	-\$0.06 million	-\$2.6 million
Arts, Sci, & Engineering	-\$2.7 million	-\$0.7 million	-\$3.4 million
Health Sciences	-\$4.4 million	-\$0.3 million	-\$4.7 million
Ag, Forestry, & Home Ec	-\$0.7 million	-\$1.2 million	-\$2.0 million
Colleges reporting to provost*	-\$2.5 million	-\$0.1 million	-\$2.6 million
Duluth campus	-\$1.3 million	-\$0.2 million	-\$1.4 million
Morris campus	-\$0.4 million	\$0	-\$0.4 million
Crookston campus	-\$0.4 million	\$0	-\$0.4 million
Waseca campus	\$0	-\$0.07 million	-\$0.07 million
Total	-\$14.8 million	-\$2.7 million	-\$17.5 million

The 1992-93 budget plan presented to the regents in May proposes new spending cuts of more than \$17.5 million. These cuts are in addition to \$24.6 million in cuts approved by the regents in December 1991.

* The colleges reporting to the provost are Continuing Education and Extension, education, the Graduate School, the Humphrey Institute of Public Affairs, the Law School, and the Carlson School of Management.

Budget, from previous page
changes are made. "This is why the reserve fund is so important to the University," Hasselmo says.

While most programs will experience some kind of cut, central administrators have elected to protect four programs that are regarded as unique and essential components of the state's infrastructure and the University's land-grant mission: the University Hospital and Clinic, the Minnesota Extension Service, the Minnesota Supercomputer Institute, and the Agricultural Experiment Stations at Crookston, Grand Rapids, Lambertson, Morris, and Waseca.

The principles guiding the 1992-93 budget follow the commitments the University has made in the past two years. Central administration remains committed to the 5 percent salary increase next year and a freeze on the general tuition rate. The University will honor all of its contractual obligations and will

FOOTNOTE

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continue to assist with career transition and to provide severance payments to all laid-off employees. Program reductions and the use of alternative funding sources for some activities, as approved by the regents last December, will be accomplished by June 30.

The principles also include a commitment to continuing the University's \$58 million, five-year reallocation and restructuring plan. "We don't want to undermine the reallocation plan with budget cuts," Hasselmo says. This year, the University reallocated \$4.5 million and will reallocate another \$5 million next year.

The decision to continue with the reallocation plan was questioned by law professor Fred Morrison, a member of the Senate Committee on Finance and Planning. "I'm not sure how relevant that reallocation plan is anymore," he says. "The University is a very different place now. Maybe we need to revisit that. We need to figure out what the University will look like five years down the line. We have to look at whether we can continue doing all the things we are doing. We have to think about reducing or changing the way we do business to provide quality at a suitable price."

Report addresses academic salary issues, including salary increases

The "Compensation for Academic Staff" report may not solve all the problems with the University's academic salary structure, but it does establish some guidelines for dealing with salary increases and it opens the door for a closer look at some of the major issues involved with academic salaries.

The two-page report, produced by the Working Group to Review Academic Salary Structures, includes criteria for promotions and annual salary increases, a format for involving faculty in salary decisions, guidelines for allocating increases, and dollar amounts of promotion increases.

The recommendations in the report will be discussed at the May 14 Faculty Senate meeting with the understanding that some

The University is embarking on another round of strategic planning that may address that question, Hasselmo says. A planning group will devise a series of documents to help the University plan for the rest of the 1990s. Questions like reallocation and state funding will be part of that. "We need to try to stabilize state funding; it's a rollercoaster every year," Hasselmo says.

The reallocation plan is not fully protected from cuts, though, Infante says. One example is the Undergraduate Initiative, which will be cut 22 percent next year. That cut reflects the decision by Anne Hopkins, vice provost for arts, sciences, and engineering, to protect the colleges that report to her office.

The arts, sciences, and engineering colleges and the Duluth campus were among the University's highest priorities because of its commitment to putting resources where the students are. Central administrators gave priority to units where students pay the greatest percentage of their instructional costs but receive the least amount of state subsidy from the University's direct state appropriation.

"We just want to minimize the damage," Infante says of the budget. "We've looked in every cupboard." ■

changes may be necessary before it can be acted on. It could be presented for action at the May 21 Faculty Senate meeting.

"This is not an easy subject to deal with," says Avner Ben-Ner, chair of the Senate Committee on Faculty Affairs. "Some of the most difficult topics were left unresolved, much to the dismay of some. It was a difficult time to deal with this because no salary increases were expected this year and no funds are available for salary restructuring.

"There's a perception out there that many units don't have a formal procedure for dealing with salary increases," he says.

The report stops short of addressing issues such as the shrinking salary differences between ranks, general salary levels at the Univer-

sity, salary disparity across units, and minimum salary levels for associate and full professors. The report recommends that a standing administrative and faculty compensation committee be established to examine and make recommendations concerning those issues.

"There were differences in opinion on the committee," Ben-Ner says. "Everybody didn't regard the problem with the same level of acuteness. There are very important interests at stake here. If there were much more money lying around, those interests could be accommodated without hurting any of them. But with a small amount of money, reaching agreement is much more difficult. There was an attitude that if these things can't be implemented, why bother."

Currently, academic staff negotiate their initial base salaries when they are hired. Salary floors are established only for instructor and assistant professor positions, according to the report. Salary increases are granted based on merit; they also go along with promotion, tenure, the assignment of administrative duties, and retention cases. "The process must encourage improved performance, which in turn should be rewarded by the compensation system," the report says.

The report recommends that the criteria for determining salary increases must be similar to those used for promotion and tenure. The University's tenure and promotion regulations state that tenure is awarded to those who demonstrate that they can continue to contribute

significantly to the University's mission during their academic careers. They do this through effective teaching, professional distinction in research, and outstanding discipline-related service. Each academic unit must have specific standards for evaluating candidates who meet these requirements.

Each year, the report recommends, the annual salary-increase pool allocated to each unit will be divided into portions for across-the-board and merit increases in ratios determined by central administration. Faculty members will receive an across-the-board increase in line with their proportion of the total salary base for that unit. Merit increases will be awarded based on the University's tenure code and the department's guidelines.

Unsatisfactory performance could result in no across-the-board or merit increases.

Beginning with the 1993-94 year, the recommendations call for a \$1,500 increase in base salary for promotions from assistant professor to associate professor. Promotions from associate professor to professor will include a \$2,000 increase in base salary.

The highlight of the document, Ben-Ner says, is its recommendation that faculty work with their unit administrators to develop guidelines for annual salary increases and faculty reviews.

Faculty members within a budgetary unit must be included in the unit's salary discussions and decisions as an elected salary committee or as a committee of the

whole. Also, departmental chairs must meet with faculty members annually to review their performance and suggest ways to enhance their productivity. Units may choose to conduct more in-depth evaluations every four or five years and/or include evaluations from outside academic sources.

"Some departments have a similar structure [to what the report recommends] but many have the department chair or department head making the decisions," Ben-Ner says.

"The participating unit making salary decisions has to be close to the people who work together," says Karen Louis, a Faculty Consultative Committee (FCC) member. "The demographics between departments are very different. They should be given the chance to use the small amount of money any way they choose to achieve their goals."

One problem with this system, Louis says, is that when administration allocates all of the funds for merit increases, each department is required to show that it did not give across-the-board increases. "It's very difficult to justify every dollar if you're a department chair of a department that has a very narrow range of productivity."

The report's intent, Ben-Ner says, is to become a binding policy for units and to place the burden on the FCC, University president, and Twin Cities provost to make decisions about across-the-board increases versus merit increases each year. ■

Proposal provides standards for teaching evaluations

Nearly 20 years have passed since anyone examined the way teaching is evaluated at the University. The result has been a steady decline in teaching evaluation.

"It should be revisited every 10 to 15 years," history professor Stanford Lehmborg says. "In some areas, it isn't done at all or in any systematic process."

Lehmborg is chair of the Senate Committee on Educational Policy (SCEP), which recently completed two years of work on a policy that provides a standard means of

evaluating teaching for personnel decisions like promotion, tenure, and merit-pay increases. He admits that SCEP will probably revisit the issue next year, but says the proposed policy is a good start.

The policy was unanimously approved by SCEP and passed 11-1 by the Senate Consultative Committee. It will go before the Faculty Senate May 14 for discussion and will be up for action during the University Senate meeting immediately following the Faculty Senate meeting.

According to the proposed

policy, *all* faculty members must have their teaching evaluated; the frequency and intensity of evaluations will vary. Faculty members under consideration for a teaching-based salary increase must submit written student evaluations for at least one section of each course taught during the previous year. And tenured faculty members who request a salary increase based on teaching must submit evidence of their teaching contributions, including peer reviews.

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Teaching evaluations for tenure and promotion decisions must include peer review and student surveys, the policy says. Faculty peers must evaluate course objectives and syllabi, handouts, assignments and tests, theses and dissertations, and examples of graded student work. Peers must also assess the instructor's knowledge of the subject matter, contributions to departmental teaching efforts, and any other teaching contributions, such as new courses or innovative instructional materials developed.

Details, such as procedures for peer reviews, ensuring accuracy and confidentiality of results, and administering student evaluations, should be determined by SCEP and approved by the University Senate before they are implemented, the proposal says.

The University may test the procedures before implementing them to gain faculty support and bring about an orderly transition. The provost, vice presidents, deans, and department heads are responsible for implementing the procedures and communicating them to the faculty.

SCEP members made several observations concerning teaching evaluations at the University:

- Many faculty members believe that current promotion, tenure, and salary deliberations place insufficient value on teaching because the current policy isn't adequate and

isn't followed consistently, resulting in few units having a standard procedure for peer review.

- A considerable amount of faculty resistance to teaching evaluations exists even though many faculty members agree that good teaching should be rewarded. The policies and procedures involving teaching evaluations need to be accepted by a majority of faculty members to ensure faculty cooperation when they're implemented.

- The two primary reasons for evaluating teaching—self-improvement and personnel decisions—must remain distinct. Evaluations used for self-improvement must include detailed information about strengths and weaknesses and should be seen only by the instructor and whoever is helping the instructor improve. Evaluations used for personnel decisions must include an assessment of overall teaching effectiveness and must be accessible to those making the personnel decision.

- Academic units should establish a means of helping faculty members improve their effectiveness in the classroom.

- In order to limit bias, information sources such as course materials, student and alumni surveys, and teaching-related publications should be used to assess an instructor's teaching and subject knowledge, especially during tenure and promotion discussions.

- Students should be consulted as sources when determining

instructors' conduct toward students, ability to communicate, course coverage and work load, and grading fairness.

- Administrators must recognize that poor teaching facilities will adversely affect student perception of both the course and the instructor's effectiveness.

- Student surveys vary between departments. This limits their usefulness, especially in the promotion and tenure process, when comparison with a University standard of teaching quality is needed.

SCEP members devised five questions for student surveys that would be used on all course evaluations. A common set of questions allows a comparison during personnel decisions and helps identify biases in student ratings due to factors beyond the instructor's control. Additional questions may be added by the department or instructor.

The questions are rated on a seven-point scale, with one as the lowest rating. The questions are: How would you rate the instructor's overall teaching ability? How would you rate the instructor's knowledge of the subject matter? How would you rate the instructor's respect and concern for students? How would you rate the physical environment in which you take this class, especially the classroom facilities, including your ability to see, hear, concentrate, and participate? How much would you say you learned in this course? ■

FOOTNOTE

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FOOTNOTE

□ June 2, 1992

□ Volume 5, Number 19

□ Published by the Faculty Consultative Committee

Overhauling the system:

A new proposal would make major changes to the grievance policy

The University's grievance policy may be rich in due process and peer review and simplified by the use of a grievance officer, but it's got problems. Big problems.

That's the University Grievance Policy Review Committee's assessment of the two-year-old policy, which according to the committee is overly formal. Its structure is complex and inefficient. Challenges over technical aspects of grievances sideline many discussions. Delays in resolving a grievance are sometimes long and damaging to the working relationship of the parties involved. The structure is loaded with hearings instead of meetings between the grievant and respondent. And some say the procedures are not impartial.

On top of everything, the hearing panels' decisions are not binding; they are only advisory to the University president.

The policy just doesn't work, period, says associate math professor Charlotte Striebel, who resigned last February as the system's only grievance officer. "It's a total failure in terms of justice, speed, and its ability to address substantive issues," she says.

The review committee seems to agree: its recommendations would substantially change the policy. The Faculty Consultative Committee discussed the review committee's report and unanimously voted to forward it to the Faculty Senate, which discussed the report at its May 14 and 21 meetings but didn't take any action. Action is expected in the fall.

The current policy centers around the grievance officer and calls for a 3-member Standing Subcommittee on Procedure, a 9-member Univer-

sity Grievance Committee, and 26 collegiate grievance committees that involve some 205 people.

The current policy works like this:

After receiving a grievance statement, the grievance officer can either dismiss the grievance, bring in a mediator if the parties choose to do so, or set a schedule for discovery. Normally, the grievance officer refers the case to the appropriate collegiate grievance committee. If the case cannot be resolved at the collegiate level, the grievance officer can schedule a hearing with a joint committee from two or more collegiate committees or a panel of the University Grievance Committee. After the hearing, the panel files a report with final recommendations that can be appealed by either party or the administrators responsible for implementing the recommendations. The University Grievance Committee reviews appeals.

The review committee studied the policy, interviewed people within the University, and tried to restructure the policy to reach resolutions quickly, to include peer participation that would ensure fairness, and to reduce the size of the structure and the amount of work involved in dealing with grievances, says Mario Bognanno, director of the Industrial Relations Center and chair of the nine-member review committee.

The review committee also wanted to ensure that the policy, on its face, offered justice by involving impartial and outside judges in making final decisions.

The recommendations call for refining the scope of the grievance procedure to include faculty,

professional and administrative staff, and civil service and student employees. And the procedure's jurisdiction would involve only employment-related complaints having to do with University policies, procedures, rules, regulations, and practices governing employee relations. It would include only complaints from employees—not parents, students, recruiters, suppliers, etc. Issues like grades, violation of federal and state law, and whether the alleged violation was "serious" or involved "substantial harm" would not be addressed.

The administrative structure, under the recommendations, would be vastly different: the Standing Subcommittee on Procedure, the University Grievance Committee, and the 26 collegiate committees would be eliminated. The post of grievance officer would become a full-time position, the grievance committee would be replaced by a Universitywide grievance committee with representatives from each employee group, and an Employee Advocate Committee and an Office of Employee Advocates would be established.

The grievance officer would not be responsible for technical details, but rather would be responsible for case administration, directing complaints to the appropriate forum, and facilitating resolutions. This would help keep grievances from being sidetracked by technical details that distract attention from the merits of the dispute.

The new grievance committee would be composed of at least 10 full-time faculty members, P & A and civil service staff, and student employees. The complainant would select one of the committee members as a representative in the event a

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hearing panel is needed. The committee would not serve as the panel.

The advocate committee would consist of six full-time employees and one graduate assistant and would appoint the grievance officer, assign members to the grievance committee, oversee the Office of Employee Advocates, and review reports from the grievance officer and the advocate office.

The advocate office would provide advocacy for employees whose grievances proceeded past the first phase of the recommended procedure.

The review committee recommended substantial procedural changes as well.

- After a written grievance is filed, Phase I involves informal meetings between the grievant, the respondent administrator, and the grievance officer aimed at settling the dispute. If the grievant is not satisfied with the respondent's

answer to the grievance, the grievant may appeal.

- Phase II involves more formal meetings to settle the appeal. The grievant, the respondent's superior, and the grievance officer meet in a more formal setting, after which the respondent's superior answers the grievance. If the grievant is still not satisfied, he or she may appeal again. (The respondent's superior is involved in Phase II to promote a settlement and to learn what lower administrators are doing to cause grievances.)

- Phase III is the second appeal. A hearing is conducted by a three-member panel whose decisions are final and binding on the University and the grievant. The grievant, however, may appeal discovery and merit decisions.

- Phase IV is a hearing that involves an outside arbitrator and is conducted by a three-member panel. The panel's decisions are final and binding.

The review committee's report sparked concern from FCC member Amos Deinard, an associate professor of pediatrics. "The current policy doesn't say that after two years it should be reviewed and replaced," says Deinard, who wrote the original policy with Striebel and law professor Fred Morrison. He questions whether the new system might meet the same fate in another two years. He also questions whether the proposed changes

would be any more effective than the current policy.

The review committee was merely following the broad scope of its charge, Bognanno says. The committee interviewed groups and individuals extensively for three months and compiled some statistics about the cases heard under the current policy.

For example, between September 1990 and March 1991, 37 grievances were filed, of which 23 had hearings. Of the 14 cases that didn't have hearings, 6 were referred elsewhere, 7 were settled or withdrawn, and 1 is being settled.

The 23 cases that had hearings are broken down in the following way:

- Ten cases were sent to the collegiate level for hearings. Of those, 6 hearings are pending (the mean time elapsed since filing is 9 months), 3 cases were decided and appealed to the grievance committee (13 months), and 1 case was decided and closed (5 months).

- Of the 13 cases sent to the subcommittee for hearings, 2 hearings are pending (6 months), 1 case was settled (after 6 months) before the hearing, 1 case was settled after the hearing (7 months), and 9 cases were decided (4 months).

Of the 9 cases decided by the subcommittee, 5 were settled in favor of the grievant and are pending college panel hearings, while 4 were decided in favor of the respondent. ■

FOOTNOTE

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Managing Editor: Geoff Gorvin
Copy Editors: Nancy Rowe, Mary Lopez

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Crookston's four-year plan offers new challenges

Change it or close it.

Those were the choices facing central administrators regarding Crookston, the University's lone two-year campus. But unlike Waseca, Crookston will avoid the chopping block and instead will begin offering four-year programs in fall 1993, pending approval by the Board of Regents in July.

The plan calls for baccalaureate degree programs in agriculture, business, and arts and sciences, including some of Crookston's strongest programs—natural

resources, early childhood education, small-business management, and hotel, restaurant, and institutional management. This fits the University's overall mission and will help Crookston meet the continuing educational, economic, and social needs in that region.

"I think this is an opportunity to add value to the successful programs we already have," Chancellor Don Sargeant says.

New state funding will not be needed for the expansion; tuition funds generated by increased

enrollment will be the primary funding source. With the additional revenue, Crookston will be able to add some new faculty members, but the plan also involves a heavy reliance on telecommunications.

The reaction in Crookston has been very positive, Sargeant says, even though the expansion comes during a delicate period at the University. "It's human nature to think that it's not fair that this change is coming now when all units are hurting. But the more people think about it, the more they'll realize that if you withdraw the money being spent here, it will hurt the University and the state."

So what's the difference between Crookston and Waseca? Why does Crookston get to thrive while Waseca will cease to exist this month?

The answers to those questions lie in the programs themselves and in Crookston's geographic location. The programs that have been selected for expansion are unique, according to President Nils Hasselmo. They are strong and well-established and are designed for that region of the state.

For example, Crookston offers the technical aspects of agriculture, which was also offered through Waseca. The small-business program has established strong relationships with businesses in that area, and the hospitality industry is an important part of Minnesota's economy, especially in the northern part of the state.

As for location, Crookston serves a 20-county area in northwestern Minnesota and offers programs that are not emphasized at any other college or university in the area. "The geographic location of Crookston is an important part of that argument," Hasselmo says.

Expanding the campus could have significant effects on Crookston's 50 faculty members and 75 support staff; an increase in students would require an increase in faculty members. Sargeant hopes that the influx of new students would require the addition of four to five new faculty members per year for the first five or six years of the expansion. Crookston would then fill in the gaps with the telecommunications project.

Crookston already has telecom-

munications links with some 50 different institutions, including the Twin Cities and Morris campuses, Moorhead and Bemidji State Universities, East Grand Forks Technical College, Northland Community College in Thief River Falls, and the K-12 school district in Crookston. Three Crookston classrooms are equipped with two-way communications equipment that enables instructors and students in different locations to see and communicate with each other. This year alone, more than 1,000 students received credit for courses they took through telecommunications.

"I think we have an opportunity to develop programming in a way that hasn't been developed before. We welcome that," Sargeant says.

Crookston's research and service missions will also be affected by the change. Programs like the Northwest Experiment Station, Minnesota Extension Service, and the Agricultural Utilization Research Institute—all located at Crookston—will complement a baccalaureate program. Those programs sponsor millions of dollars in applied research and service for rural Minnesota.

Crookston, in general, serves as the University's regional center for technology transfer and outreach.

The Northwest Experiment Station, for example, has focused primarily on agricultural production, Sargeant says. But under the new plan, the experiment station will probably become more involved in things like market research, environmental issues, and technologies and processes in small businesses.

With human resources, more research will be done concerning issues like harassment, family relations, crime, and social services. "The focus will always be applied," Sargeant says. "We'll continue to take a very practical approach to these issues."

Attracting external and research support, Hasselmo says, should not be a problem because Crookston already successfully raises funds. And the selected programs are built on regional needs and strong relationships with the community. This year alone, more than \$750,000 in grant proposals was funded; that should increase with the new four-year programs.

Another four-year program is needed in the state's northwest region, University administrators say. Moorhead State University and the technical colleges are overenrolled. Any underenrollment is in the community colleges. And, according to surveys, students would stay at Crookston for four years.

Statewide, the number of students who plan to pursue baccalaureate degrees is increasing, according to a state department of education survey, which shows that in 1980, 38 percent of students planned to attend college for four years after high school. Ten years later, that percentage had risen to more than 50 percent.

At Crookston, 54 percent of students last fall said they plan to seek a baccalaureate degree. Another 37 percent were content with an associate degree.

The survey results by program are encouraging: 79 percent of arts and sciences students said they would continue their education at Crookston, as did 80 percent of hospitality students, 71 percent of agriculture students, and 62 percent of business students.

Currently, Crookston has about 850 full-year equivalent students and educates them at a total cost of about \$8,500 per student. Instructional costs are expected to increase to \$12,000 per student by the 1996-97 school year if the curriculum remains unchanged. Offering four-year programs is expected to increase enrollment to 1,150 students by 1997 and reduce the cost per student to \$7,250.

Several factors have had significant effects on the high instructional cost at Crookston: the number of high school graduates in the region has decreased by 30 percent over the past decade, changes in the reciprocity agreement between Minnesota and North Dakota have favored North Dakota, the number of two-year programs in Minnesota has increased, and Crookston's tuition has become uncompetitive.

Despite those factors, the change at Crookston still represents the best possible use of existing resources, administrators say. ■

□ THE CHAIR'S REPORT

By Tom Scott
Chair, Faculty Consultative Committee

Perhaps, as I conclude my tenure as chair of the Senate and Faculty Consultative Committees, I may be permitted a bit of reflection: this time, retrospection; next issue, looking ahead.

In my report to the faculty last fall, I anticipated a difficult year with several unique features: vetoed University appropriations, zero salary increases, negotiations to draft a collective bargaining agreement for a large number of newly organized civil service staff, expectations of additional budget cuts, openings and new people in several key administrative positions, and a widely circulated observation by retiring Citizens League director, Curt Johnson, that Minnesota higher education has become a "prisoner of politics. And a first-class mess."

Since then, with the help of those who brought lawsuits challenging the vetoes, the state Supreme Court, the governor, and the legislature, the vetoed appropriations were restored, we will receive salary increases next year, the collective bargaining agreement was reached and implemented, we have, indeed, sustained a severe budget cut, most of the key administrative positions have been

filled and the rookies have quickly become veterans—I have not heard Jim Infante refer to himself as "this newly minted VP and provost" for a long time—and in an interesting twist of fate and irony, Curt Johnson became the governor's special adviser on higher education, shortly after his observation.

As for the University governance system, the work of the senate committees this year has been exceptional. Among their highlights, the committees continuously reviewed the budget situation, established the Council on Liberal Education, drafted a report that reviews the role of faculty in intercollegiate athletics (to be acted on next fall), drafted a report that reviews the grievance system (to be acted on next fall), reviewed the new senate-approved policy and procedures on academic misconduct, and conducted a major analysis of and voted down the proposed changes in health care benefits.

Two significant policies from senate committees have now been adopted by the senate: one on teaching evaluations and the other on procedures for academic compensation. The Select Committee on Gays, Lesbians, and Bisexuals (a subcommittee of the Senate Committee on Social Concerns) has begun its work in earnest, the intercollegiate athletic committee has implemented a system for monitoring the academic progress of student-athletes, and the Senate Judicial Committee has dealt

with several difficult cases.

In my final report to the regents on behalf of the faculty last month, I reported on these accomplishments and then, while I had the floor, took the opportunity to add two comments. The first was a word of caution that while we applaud the importance of the economic value of the University to the state, region, and beyond and appreciate this traditional role, especially for public institutions, we do not lose sight of the fact that we are here to feed and nurture minds and souls as well as the gross state product.

The second comment noted that for many—most perhaps—education is inevitably an inefficient process with many false starts, directional changes, and evolving attitudes and perspectives. In these extraordinarily difficult financial times—and I do not expect them to improve substantially in the foreseeable future—we must do all that we can to make what we do as cost-effective as possible. At the same time, however, we must also remember that we cannot make perfectly efficient what is inherently an inefficient process. We are not manufacturing cars or growing soybeans, we are trying to help young minds become mature and capable of analysis and we are, in our scholarship, pursuing knowledge, often up blind alleys. The accounting rules that help us decide whether we are producing cars or soybeans efficiently will not apply to much of what we do. ■

FOOTNOTE

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FOOTNOTE

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A word with Sen. Gene Waldorf

A friend of higher education leaves the legislature after 16 years

Sen. Gene Waldorf is completing a 16-year career in the state legislature. A graduate of the Institute of Technology, Waldorf has always had a special interest in higher education. He chaired the higher education division of the finance committee and was responsible for proposing the so-called Waldorf Bill, which would flip-flop the state funding formula so that the state would fund one third of instruction while tuition would fund two thirds. Student aid would increase dramatically to help low-income students. The bill was defeated but the concept is still alive.

The following is an interview with Sen. Waldorf.

Footnote: You've always been considered a friend of the University and higher education in general. Why does higher education rank so high on your agenda?

Waldorf: A great deal of what I've been able to do and accomplish is a result of my education, including a degree at the University. You can't look at many endeavors without seeing the effects of it. I've always maintained that the smartest economic-development money we spend in this state is spent on higher education. Those expenditures have produced more than anything else we've done.

Footnote: What does the University do well and poorly in the eyes of legislators?

Waldorf: That's hard to say because so much of what is said is sort of spur-of-the-moment. It's always been sort of a frustration to me because, outside of a few people who were members of my committee when I was chairing it, what we get are sort of knee-jerk reactions by

legislators; you really don't know how they feel about higher education. They don't involve themselves in it unless there's a constituent or parochial interest that happens to affect them. Otherwise, they pretty much don't pay attention to it, which is a problem. And it's showing up pretty dramatically in terms of funding priorities. We've had a major shift away from higher education and a number of other issues, which proves that the legislature is a poor planner and a more reactive body. It reacts to the issues that come up and forgets about what the priorities were yesterday.

More recently we've had a shift away from higher education as well as other priorities to health care, to prisons, to children's agendas, to violence. [Legislators] run after those issues and forget about the priorities and the long-term good of the state. That's kind of disturbing because I always felt that the higher education budget, along with the K-12 budget, is one of those major commitments the state has to its people, and it shouldn't be easily tampered with or replaced with the hot buttons that come along. But that's unfortunately what has happened. And I've tried to make that message to my fellow legislators—that they're eroding a very important component of the state's business—but not very successfully.

It's kind of a frustration to recognize the long-term importance of stability and funding and then have that ignored so frequently. We can't have this up-and-down sort of rollercoaster funding support and expect higher education institutions to do well. We can't operate that way.

Footnote: Address the trends that involve state funding for higher education and the University, especially state vs. private funding. If funding for higher education continues to decline, what are our options?

Waldorf: The University is unique in that it gets less than half of its funding from the state. So it has other resources such as research money, even though that isn't very dependable either because you have to compete for it. But I think that's healthy for the University and it has helped it, to some extent, survive a very, very severe cutback by the state. Maybe that's the way of the future, to further insulate the University from state revenue sources.

You have to do something with tuition, private support, and state funding, but it's a political thing to convince the legislature that that's a major priority and that they can't ignore it. The University has been narrowing down its focus so that it can afford to do what it has to do. That's not a bad thing to have happen anyway. I don't think there are many legislators around who would say very seriously that the University hasn't done a good job. I've listened to all the other ideas about some of the scholarships and prefunding your children's education, and none of those things really amounts to a hill of beans. The big things are state funding, private funding, and tuition; whatever combination of those three will work.

[As for going private, with minimal state funding], you almost have a trend going on like that in the country. The basic principle of providing access to lower income

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folks is an extremely important one, and as long as we maintain that I think we can let some of those more well-to-do students pay a higher tuition. A lot of universities around the country are looking at that.

Footnote: What was your intent behind the so-called Waldorf Bill? Is a funding concept like that possible in Minnesota?

Waldorf: The result of the bill would have been more revenue for the University and other higher education institutions because if you let the tuition level go up, it generates more revenue and it would be a more stable source of funding than state funding is. But it gets into the pocketbooks of people and their reactions were very angry. I proposed it with the intention of providing more revenue for the institutions and maintaining our long-term position of providing

subsidies to those who need it, not for those who don't need it.

The University has been forced by circumstances to go to a higher tuition level. So we're going in that direction. Unfortunately, we're not dealing with the issue of trying to ensure access to lower income students who are faced with a higher burden, and that's the component that got lost in the shuffle. The University had best keep after its fund-raising and private support because, frankly, the state's just not reliable. It can't be counted on to sustain a priority system for very long. I thought it could, but that may have been a little naive.

Footnote: What's the future of the Waldorf Bill?

Waldorf: I don't know of anybody who's been begging for an opportunity to take that up. The higher education finance people better at least look at that concept as the University and others start increasing their tuition levels. They better look at the other components of [the proposal] and start implementing them to make darn sure that we deal with the necessary issues as tuitions are allowed to increase. They're going to increase because the University and the State University System are not going to shut down; they're going to go for the only revenue source they have control over, and that's tuition.

I don't think anybody's going to pick [the bill] up. What they're going to do is implement some of the other components, like designing a better tuition-assistance program to cover the income range. You shouldn't cut off assistance until you're at the \$50,000 income range; we cut it off much lower than that. So that's going to be a problem.

Footnote: What are some of the general trends that you've seen in higher education, and the University specifically?

Waldorf: They've started to structure their courses and programs to add focus. The downsizing at the University has been a major effort, and a good one. The State University System has recognized that also—they don't want to be everyone's university either. They

imposed some entrance qualifications. That's a healthy sign, I think. All the systems have made some major efforts to develop some quality standards.

[As for preparation standards, the University and state system] have to do that if they're going to start being selective. They're limiting their access, and rightly so. They're saying that the community colleges are the access for anybody in spite of their preparation qualifications. That's the place that, if you really want to go but you can't cut the mustard for entry at the University of Minnesota or the State University System, you prove yourself at the community college system and then transfer later. And it's the lowest cost alternative.

Footnote: What does the future of higher education look like?

Waldorf: I think it depends a lot on what the higher education systems do as they react to the erosion of the public commitment. We may very soon start to realize that we have to get serious about education if we're going to compete economically. Everybody's been yelling about that long enough to finally get the message across. People think they're adequately funding higher education, they think that higher education is good enough and that they really don't need to worry about it. I think they're wrong. Our institutions have to get better, our students have to get sharper, and you can't just leave it alone or it'll gradually erode. Then we can't expect to compete throughout the world.

It'll take a change of public attitude. I suppose what will happen is that we'll have some crisis come along and someone will say, "Hey, let's start educating our work force; we're lacking. We have to put money into public education." Frankly, the legislature can't maintain its long-term perspective on anything. It's very trend-driven and that makes it not a reliable policy setter. ■

FOOTNOTE

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Copy Editor: Nancy Rowe

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Report scrutinizes the governance of athletics

Without realizing it, the University may not be playing by the Big Ten's rules when it comes to governing academics in athletics. The problem, apparently, is that the faculty may lack control over academics.

The Big Ten charter says, "only a university having full and complete faculty control of its intercollegiate athletic programs may hold membership in the conference." The Twin Cities Campus Assembly and faculty members in general were concerned that faculty governance was lacking, so an ad hoc committee was formed to review how athletics are governed and the role that faculty play in governing athletics.

The root of the problem, according to the committee's findings, is the structure of the Assembly Committee on Intercollegiate Athletics (ACIA), which governs athletics and reports to the Twin Cities Campus Assembly. The ACIA is too large, too divisive, and too overworked to do its job effectively, says Burton Shapiro, professor of oral science and chair of the ad hoc committee. And faculty members at committee meetings do not always constitute a majority, which means that the faculty doesn't always have "control" of academics in athletics.

The ACIA has eight faculty members, three alumni, three students, one civil service staff member, and five ex officio members. If two or more faculty members miss a meeting, the faculty could be in the minority.

As a solution, the committee recommends that the ACIA become a faculty-only committee that would oversee the academic part of athletics, including academic standards and policy and rules compliance.

Another committee, called the Athletic Advisory Board, would be created for students, alumni, and civil service staff. That board would oversee all nonacademic matters, such as the athletic budget, gender equity, minority student-athlete issues, and facilities.

The ACIA chair would sit on the advisory board as an ex officio

member to help reduce the amount of overlap between the two groups.

The ad hoc committee was unanimous in all its recommendations, Shapiro says, but it is willing to reconsider aspects of the report if the consultation process identifies some concerns. The report has been discussed by several committees, including the Faculty Consultative Committee, but won't be discussed by the Senate Consultative Committee and the Twin Cities Campus Assembly until next fall.

The ACIA discussed the report at its June 4 meeting and members adamantly opposed the idea of breaking the ACIA into two committees. "I don't see what's to be gained by breaking the committee into two separate committees," says Byron Egeland, a professor in the Institute of Child Development. "This is one committee where alumni and students have to have a say in what happens with student-athletes."

A lot of the problems associated with athletics stem from a lack of communication between the athletic departments, the ACIA, central administration, and the University community, Egeland says. Adding another committee to the loop would worsen the problems and would create more work instead of less. Plus, he says too much ambiguity exists between academic and nonacademic issues to be able to separate them for oversight by two committees.

One solution to the "faculty control" problem is to add faculty members to the ACIA, says ACIA chair Ted Labuza, professor of food science and nutrition. "I hate to make this committee larger, but I don't think it's been unwieldy."

Athletics directors McKinley Boston and Chris Voelz say they have concerns about two committees but could support adding faculty members to the existing ACIA. And Voelz suggests the ACIA meet less often and assign more duties to subcommittees.

"The fact is that we need faculty in control of the academic portion of athletics, whether it's a standing subcommittee, more faculty mem-

bers on the ACIA, or whatever," Shapiro says. "We stand by that."

Other committee recommendations include the following:

- The relationship between the ACIA and the governance system should be strengthened.
- Central administrators should decide how to use income surpluses in the athletic departments after consultation with the ACIA, the proposed advisory board, and the Senate Committee on Finance and Planning (SCFP).
- The athletic directors should report to a central administrator other than the president because the president doesn't have time to pay attention to routine administrative needs of the athletic departments.
- Athletic academic counseling staff and tutors should report to the Academic Counseling-Intercollegiate Athletics office. Primary counseling responsibilities should lie with academic units. The counseling office should serve as a liaison between the academic units and the athletic programs.
- The ACIA should develop a statement outlining the sanctions against teams that repeatedly fail to meet academic standards and the rewards for teams that exceed standards. Student-athletes must be given the chance to improve their academic standing. Faculty must be involved in auditing or reviewing academic progress.
- The proposed advisory board should develop a statement on ethical behavior and appropriate conduct for student-athletes and should establish the responsibilities of the coaching staffs and departmental administrators in emphasizing the behavior of student-athletes. Also, the advisory board should develop a statement on how student-athlete misconduct is considered when coaches are reviewed.
- Season tickets should not be given to ACIA members anymore, although some season passes for each sport should be available for committee members to share. ■

□ THE CHAIR'S REPORT

By Tom Scott
Chair, Faculty Consultative Committee

In the last issue of *Footnote I* reported on some of the accomplishments of the governance system this year, indicating that final action on several items remains for the fall and that there is already a rapidly growing agenda for next year. I will let my successor, Mike Bognanno, comment on that.

In this, my final column, I want to note a few things I learned by serving in this position this year and thank some of the people who helped things move as smoothly as possible.

The first thing I learned is that higher education, especially public higher education, is in the early stages of major change. I am not a scholar of education and I do not pretend to understand all of the dimensions or implications, but for the University there are at least three questions that are being asked with greater persistence and intensity.

First, what does it mean to be a land-grant research university in the last decade of the 20th century? How do we redefine our mission to serve "agriculture and the mechanical arts" so that our teaching, research, and service responsibilities make sense as we prepare for the 21st century? What is our proper teaching role amidst the array of postsec-

ondary educational options available in this state? Does it matter that, unlike most of our counterparts, we also are an urban university, located in the heart of a major and increasingly diverse metropolitan area, largely serving a local commuting clientele? We inside the University are not much clearer on our mission than are those outside, and defining that mission is no longer an idle exercise in rhetoric because, unless we can get some of these issues sorted out, our base of support will not get stronger.

Second, and not unrelated, is the question of how we pay for all this. What share of educational costs should be borne by students and the taxpaying public? Should tuition in high-demand fields be determined solely on the market? How are we going to pay for maintaining an increasingly decrepit physical plant, especially now that the University must pay for one third of new construction costs? And who pays for the heat, lights, and maintenance of new buildings, even those paid for with nonstate monies? How should indirect cost monies be spent and are our charges appropriate—a tough question to be asking in the wake of the episodes at Stanford and elsewhere. Many issues are not going to go away.

Finally, what are the implications of all this for the faculty? What is the appropriate work load—the proper mix of teaching, scholarship, and outreach? Do our norms and expectations square with those who are

"paying the bills" for an urban land-grant research university? Does the tenure system still make sense, and what does post-tenure review mean? Will we be able to attract and train the first-rate minds necessary to replace ourselves as we fade into the sunset? A university is only as strong as its faculty. Are we going to maintain that strength?

The second thing I learned is that, while it takes a lot of time and energy and can be a pain for many, some kind of governance system with a major role for faculty is necessary if an institution like this one is to operate on a consensual basis—and I believe it must. Our governance system has many virtues, chief of which are the high degree of consultation with administrators, regents, and others; its openness and trust; student involvement; and the by-and-large effective committee system. Its weakness, I have come to believe, is that the senate, because of its operating rules, does not work as well as it might as a deliberative and consensus-building body. I hope we can improve on this next year.

Finally, the governance system has a dedicated, hard-working, highly professional staff, newly organized this year to provide support for all senate committees. I cannot let the year end without expressing my personal thanks and appreciation for the work of Vickie Courtney, Gary Engstrand, and Martha Kvanbeck (who also manages senate/assembly meetings), and to the senate staff secretary, Linda Inman. ■

FOOTNOTE

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