

Minutes*

Faculty Consultative Committee
Thursday, September 20, 2012
1:00 – 3:00
238A Morrill Hall

Present: Sally Gregory Kohlstedt (chair), Linda Bearinger, Avner Ben-Ner, Peter Bitterman, Brian Buhr, Chris Cramer, Will Durfee, Nancy Ehlke, Michael Hancher, Scott Lanyon, Russell Luepker, Elaine Tyler May, Alon McCormick, James Pacala, Ned Patterson, Jeff Ratliff-Crain, Rebecca Ropers-Huilman, Richard Ziegler

Absent: James Cloyd, George Sheets

Guests: Senior Vice President Robert Jones; President Eric Kaler

Other: Amy Phenix (Chief of Staff), Ken Savary (Office of the Board of Regents), Jon Steadland (Office of the President)

[In these minutes: (1) discussion with Senior Vice President Jones; (2) committee business; (3) discussion with President Kaler]

1. Discussion with Senior Vice President Jones

Professor Kohlstedt convened the meeting at 1:00 and welcomed Senior Vice President Jones. Because this session is considered to be an extension of the Committee retreat, she accepted a motion to close the meeting. It was adopted unanimously. Here are the highlights of the discussion.

-- Dr. Jones touched on his views about shared governance at the University ("it works better here than most places in higher education") and he commended governance leaders for keeping it vital and retaining the appropriate tension between the administration and the governance system. He urged that future leaders do the same.

-- Dr. Jones reviewed the history of his office, which was created in 2004 to provide central oversight for the campuses at Crookston, Duluth, Morris, and Rochester and for academic and administrative units and functions that serve not only the Twin Cities campus but the entire system. He noted the development of the System Council, which has been very effective in integrating the coordinate campuses in the decision-making processes of the institution. (There was considerable commentary on the phrase "coordinate campuses," one that the non-Twin Cities campuses do not like, but no one was able to come up with a better phrase.) It will remain important for someone to have administrative responsibility for the non-Twin Cities campuses and the other non-metropolitan units of the University. The goal has always been to ensure that all of the units of the University work as seamlessly and effectively together as possible.

* These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate; none of the comments, conclusions, or actions reported in these minutes represents the views of, nor are they binding on, the Senate, the Administration, or the Board of Regents.

-- With Dr. Jones leaving the University at the end of the year to lead SUNY Albany, President Kaler will appoint a committee to look at ways to advance the aims of the various elements of his administrative portfolio and hear perspectives on the optimal mission alignment. He said he told the president, as he told the Committee, that it will be important for University leaders to retain the system focus.

-- To help ensure that the search for a Vice President for Equity and Diversity is not disrupted by Dr. Jones' departure, that position will now report directly to the president; it is to be hoped that will emphasize to applicants the University's strong commitment to diversity and attract a strong candidate pool.

-- Other points that came up in the discussion were the need to make clearer the pathway for graduates of the coordinate campuses into the leading graduate and professional programs across the country, the need to emphasize that it is easy to move around within the University system, and the need to continue to focus on the extension and outreach activities of the University (and the need to increase the attention to urban areas, where the majority of the state's citizens will live, while not retreating on the commitment to rural Minnesota).

Committee members congratulated Dr. Jones on his selection as president of SUNY Albany and gave him a round of applause.

2. Committee Business

Professor Kohlstedt next walked Committee members through the draft docket of the October 4 Faculty Senate meeting. The Committee approved the docket unanimously.

3. Discussion with President Kaler

Professor Kohlstedt welcomed the president to the meeting.

President Kaler provided a brief overview of the 2013-15 biennial request. He noted the proposal to hold tuition increases to 0% (for Minnesota resident undergraduates and reciprocity students) if the state would provide \$14.2 million each year of the biennium. He said that the administration had reviewed the University's budgetary needs for the next two years (compensation, utilities, etc.) and had identified portions of increased costs that would come from tuition, administrative savings, and other sources. The University will also request an \$18 million research investment in four key areas: Advancing Industry, Conserving our Environment; Supporting Robotics, Sensors, and Advanced Manufacturing; Securing the Global Food Supply; and Advancing Discoveries and Treatments for Brain Conditions. In addition, the University has proposed several tax credits, an appropriation of \$1.5 million to create a loan-forgiveness program for students in the health sciences (including veterinary medicine) who work in underserved areas of the state, and has identified several performance metrics that the University would promise to meet in order to receive an additional \$11.5 million in state funding.

This request has several virtues, the president commented. It means the University is not simply carrying a cup to the legislature and asking them to fill it; the University will tighten its belt and highlights the relationship between it and the legislature in terms of tuition levels. The request provides the opportunity for a clear and transparent discussion. The request also provides a clear indication of

what the state will get for its money: No tuition increases for resident undergraduates, loan forgiveness, and new research in areas important to the state. The request has thus far received a positive reception from the Governor's office and legislative leaders, and if it is fully funded, it will restore University funding to the level it had in 2001. The president said he hoped the request would galvanize students and their families to support it because there is a clear link between the request and the tuition they pay or the loans they must repay.

Several Committee members expressed high praise for the structure of the request. Professor Kohlstedt complimented the president on his and Provost Hanson's presentation of the request. Professors Ratliff-Crain and Ziegler suggested the request should include more discussion of its statewide impact. Professor Luepker said the request was inspirational and asked about fees and graduate and professional education; the president responded that fees will be set in the normal fashion and will not be increased to make up income lost and that his belief is that legislators tend to pay more attention to undergraduate education than to graduate and professional education. He said he did not believe it politically possible to increase the size of the request to add funding for graduate and professional education and pointed out that the request does include loan forgiveness for professional students who work in underserved areas of the state. He also noted that his budget last year increased funding for Doctoral Dissertation Fellowships.

Professor May added her compliments and asked how the Committee could be helpful. President Kaler said he would appreciate the Committee's feedback on the request. This is the first biennial request prepared by his administration; he said that the timeline to develop it was surprisingly short and that it had to be prepared over the summer, thus making consultation more difficult. So he is open to suggestions on the elements of the request, but expressed the hope that everyone is on the same page and that the Committee can advocate for the request.

Professor Pacala commended the request and asked if the University would be open to criticism on the proposal to reduce administrative costs by \$28 million. Some might ask "why not \$42 million or \$50 million and keep tuition increases at 0?" How can the University be persuasive in arguing that such reductions would cut into bone? President Kaler pointed out that the Governor asked all state agencies to describe how they would manage a 5% budget reduction; for the University, that amounted to \$28 million. He said the University can make a muscular argument that that is the right number and, he added, it is achievable; \$42 or \$50 million would not be. He said he also wants to be able to track the money saved as a result of Operational Excellence initiatives and not just see the money disappear; he noted areas where savings can likely be achieved. Professor May inquired if the savings would mean laying people off. The president said that in an organization where 61% of the expenditures are on personnel, one cannot make cuts without cutting positions. But the reductions can, in all probability, be achieved through attrition, redeployment, and voluntary separation, and he said that he did not expect to see layoffs.

The Committee and the president discussed the political process and how the University's biennial request might best be advanced.

Professor Kohlstedt turned the discussion to other questions that Committee members had raised in anticipation of discussing them at the retreat; those discussions were off the record and so would this one be. The topics the president and Committee took up were metrics and assessment, the achievement gap, the University's national reputation, protecting those who report wrong-doing, and the implications of now knowing how much it costs to educate undergraduates in the various colleges and campuses.

Professor Kohlstedt thanked the president for joining the meeting and adjourned it at 3:00.

-- Gary Engstrand

University of Minnesota