Minutes[*]

Senate Committee on Finance and Planning
Monday, March 17, 1996
3:15 - 5:00
Room 140 Nolte Center

Present: Fred Morrison (chair), Thora Cartlidge, Cynthia Gillett, David Hamilton, Gerald Klement, Catherine French, Richard Pfutzenreuter, Benjamin Senauer, Charles Speaks, James VanAlstine

Absent: None inasmuch as the meeting was not regularly scheduled and took place during finals week

Guests: Paul Tschida, Bob Baker; Theresa Robinson, Kathleen Stoner, Karen Triplett; Michele Gross; Ron Campbell

Others: Nancy Arneson

[In these minutes: Buses and parking; policy on frequent flyer miles; policy on increased grants management information access; food service management]

1. Transportation

Professor Morrison convened the meeting at 3:15 and welcomed Mr. Baker and Mr. Tschida to again discuss the Route 52 bus service. Mr. Tschida reported that the President had asked that there be no abrupt changes, and that the administration would find, for one year, the $350,000 needed to continue Route 52 service while also allowing upgrades to the on-campus transit system. He cautioned, however, that the solution is only interim and the problems have not gone away; the University will have to decide how it will spend its limited funds for transportation.

They are also working with the MCTO to resolve the issues, he said; they would use the subsidy they provide for the Route 52 system to upgrade service; the University would use its money to upgrade the on-campus system. There is also legislative interest in the issue, as part of the larger metropolitan transit system. Some in the legislature believe the University charges too little for parking, and subsidizes automobile use rather than the transit system. Mr. Tschida also said that if the MCTO were to take over the Route 52 service, it would continue some routes, but would not guarantee retention of service where ridership is too low.

Professor Morrison summarized the reaction of Committee members by saying that they are pleased by the decision to continue the Route 52 service and look forward to future discussions of transportation issues. He thanked Mr. Baker and Mr. Tschida for their assistance.

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

2. Travel Policy (Frequent Flyer Miles)

Professor Morrison next welcomed Theresa Robinson, Kathleen Stoner, and Karen Triplett to the meeting to discuss frequent flyer miles.

Ms. Robinson distributed copies of a July, 1996, memorandum from the Audit Committee of the Board of Regents to deans, directors, and department heads calling for compliance with Minnesota law requiring that frequent flyer miles accumulated while travelers are on University business accrue to the department. This generated many calls to her office about how to implement the requirement, and they have proposed changes to the University's travel policy to accommodate both the law and faculty needs.

The proposed policy recommends that frequent travelers maintain separate accounts (using slight variations in name), and that business travelers use one of the Contract Travel Agencies the University has retained and use a different agency for personal travel. The revised policy also notes that there may be benefits to retaining a single account; when individuals have a single account for frequent flyer miles, they must track separately those accumulated while traveling on University business, and those miles must be allocated to the University. The point of this proposal, Ms. Robinson said, is to comply with the law while retaining flexibility for faculty.

In response to a query, Ms. Stoner reported that Northwest Airlines (which accounts for 85% of University travel) will allow two separate accounts for an individual, as long as slightly different names are used on each (e.g., an initial or nickname on one, full name on another).

Ms. Stoner reported, also in response to a question, that neither the travel agencies nor the airlines will track frequent flyer miles for the University. The Committee suggested that since it is the University that needs to be in compliance, it would be better to make the necessary expenditures to hire (the estimated need of) one staff member to track frequent flyer miles than to impose on every department the burden of tracking them. There would still be work in the departments, Ms. Robinson said, but Committee members expressed doubt that a great deal would be required if there were a central person responsible.

One Committee member inquired how the University would determine if the faculty were in compliance with the policy, or is not intended that the policy will be enforced? Ms. Robinson said this is a difficult policy to enforce, short of having centralized, top-down management that would be unacceptable to colleges and to the faculty. She said this policy is being proposed so that it passes legal muster; she does not intend to have it understood that they are "on top of" travel.

With respect to using the contract agencies, several Committee members pointed out instances where they were able to obtain significantly cheaper airfare by using a different agency. Ms. Robinson said that is one reason they do not require use of the contract agencies, and why they have proposed allowing individuals to use one account and to report business mileage on that account. She also said that they would like to know about such instances so they can discuss the specifics with the contract agencies.

In terms of compliance, it is the individual's responsibility to track and report business mileage; it is the responsibility of the departments to determine the use of accumulated frequent flyer miles (e.g., allow the individual to retain them for future business travel or reassign them within the department). Asked if they knew about the level of compliance, Ms. Stoner said they have only anecdotal evidence, but that departments seem to be trying to comply.

In response to a query, Ms. Triplett affirmed that the policy only applies to FREQUENT fliers, not those who fly only once or twice a year.

Asked about the possibility of obtaining discounts through a contract, Ms. Stoner reported that Northwest will not provide contract travel with ANYONE. The University spends about $8 million per year on airfares; 3M spends $80 million a year and is unable to get a contract. The Twin Cities are a captive market; there is no leverage to get a contract. They are working with other airlines to see if a contract is possible for connecting flights, so some fares could be reduced. This, commented one Committee member acidly, is the thanks Northwest gives to the people of Minnesota for bailing them out of financial difficulties.

Professor Morrison thanked the three visitors for informing the Committee of the proposal, and for developing one that provides the flexibility that faculty and departments need.

3. Grants Management Information Access

Professor Morrison now welcomed Michelle Gross to discuss the issue of access to information to grant information.

Ms. Gross reported that the question of access to information has arisen in the process of redoing the grants management system. At present there is a cumbersome system of screening in place that is expensive, and as a result they have developed a proposal on information access. One Committee member commented that this comes at a critical juncture in grants management redesign, and comment is needed quickly to meet the NIH mandate, because resolution of the question affects how software is redesigned. It is a sensitive, important issue.

Ms. Gross explained that many people need information, and the University maintains a complex and expensive filtering system for information that is mostly public anyway. What they want to do is have a consistent set of access guidelines, and also want to be able to deliver quickly to PIs and other employees usable information.

With respect to the filtering, which is expensive and blocks access to much information that anyone could request, the question is how many hurdles should there be for employees to have access to public information? This question does NOT arise with respect to private data, which is guarded by law.

Their proposal, Ms. Gross said, is to identify standard University processes (e.g., managing grants, paying people, collecting revenue) and to give employees access to all of the public data associated with those processes with which they deal. For example, a PI needs to be able to view payroll, financial, and student information; anyone who becomes a PI would automatically be granted view capability. Individuals who have access to one type of data (e.g., payroll) would not have their access restricted to a subset of the data, but would automatically have access to all of it. That is, individuals would have access to ALL information which is, by law, public information.

Committee members discussed with Ms. Gross who does, might, or should have access to what kinds of information, and who should be authorized to decide who should have access. Some faculty do not WANT access to all other PI information, and some feel getting access should not be as easy as clicking on a web page. One risk is that people who get information in bits and pieces could get a distorted view; if the information is provided by a University information custodian, it would all be provided. One can STILL distort things, but in the latter case it would not be due to lack of complete information.

Ms. Gross reported, in response to a question, that it costs about $250,000 per year to keep filters in place. She explained how the costs are incurred in data reporting on the CUFS system, and that response time with and without filters is 93 microseconds versus 103,000 microseconds. The more complex the filters, the higher the cost.

One Committee member inquired if the University could legally restrict access to public data, and noted that there always political costs when a public institutions attempts to restrict access. Another observed that one could take the position that salary data, for example, are public and should be on the web, or one can say it is sensitive, should be easily available only to those who have a need to know, and that others should obtain it from the data custodian. But can one make it available to employees but not the public? It should either be easily available or on a need-to-know basis; the middle ground makes no sense.

It was also pointed out that NIH requires that data be readily available to PIs at any time.

After additional debate, the Committee concluded it favored open access to public information. Professor Morrison said the Committee would formulate a resolution on the issue for the next meeting; he thanked Ms. Gross for joining the meeting.

4. Food Service

Professor Morrison next welcomed Mr. Ron Campbell and several associates to the meeting to discuss the proposed changes in the food service operations on the campus.

Mr. Campbell explained the process that his office was using to evaluate the food service operations and that they are seeking the views of the University community as they conduct the evaluation. The basic problem is that although they have put more money into food services, in order to do a better job, revenues remain insufficient. As a result, they issued a Request for Proposals in fall, 1996, asking how things could be done better. They had presentations from three companies and are now trying to decide between two finalists. The intent is to get the best of both privatization and the best things the University has to offer. A proposal will be made to the Executive Council on March 27.

Committee members discussed with Mr. Campbell such issues as market share (the University does not have enough, but local vendors fear greater success), access of local vendors to the process (some wonder if the RFP was not structure to exclude them; it probably did, because the University did not want 13-15 independent contracts, so only large vendors could effectively respond to the RFP), the extent to which unions and employee groups were involved (they were provided the information and told of the problems), what would happen to in-house management (some would probably be eliminated, although contract management would be required; perhaps 20% of University employees would be continued--and it might be that ALL of the staff would be University employees, depending on the arrangements), and actions taken by peer institutions (all have the problem and are trying a variety of solutions).

One Committee member inquired how service standards would be set, how the University could ensure it would receive what it wants, and whether the University might subsidize the operation to some extent to ensure it receives what it wants? Mr. Campbell said those were all issues the University itself could decide. In terms of obtaining quality and diversity in choice, rather than only 42 profitable fast-food hamburger stands, Mr. Campbell explained that the University can decide what it wants and ask the vendors to make proposals, and that advisory councils can be established to review what is being provided.

The economic decision could be different from the decision the University community would make, it was said, and Mr. Campbell's office must articulate who will make the decisions as the negotiations take place. It would be helpful if the decision-making authority were identified now, and the advisory councils established now, and if required contract provisions were identified now.

What they want, Mr. Campbell summarized, is improved quality, increased service hours and locations, and more affordable food, and they want an increased food business that is not built on price gouging or underpaid labor. The University will NOT pay, because this is intended to be a business deal, but there are also programmatic elements.

Professor Morrison said the Committee would return to this subject in two weeks, and thanked Mr. Campbell for his presentation.

5. Other Items

Professor Morrison directed that the minutes record three additional items the Committee intended to take up but was unable to do so because of lack of time: Indirect Cost Recovery funds, a statement on Incentives for Managed Growth, and the distribution of the faculty salary increases across provostries. These three items will be taken up at the next meeting.

He then adjourned the meeting at 5:00.

-- Gary Engstrand

University of Minnesota