

Minutes*

Senate Committee on Finance and Planning
Tuesday, March 2, 1999
3:15 – 5:00
Room 238 Morrill Hall

Present: Stephen Gudeman (chair), Jean Bauer, Charles Campbell, Catherine French, Wendell Johnson, Gerald Klement, Terrence O'Connor, Peter Robinson, Charles Speaks, Susan Carlson Weinberg

Regrets: Cynthia Gillett, Jane Phillips, Terry Roe

Absent: Eric Kruse, Richard Pfutzenreuter, J. Peter Zetterberg

Guests: Professor David Pui (IT Consultative Committee); Vice President Sandra Gardebring (Institutional Relations)

[In these minutes: consultation on compacts; capital plans and community relations; budget task force]

1. Discussion of Compacts and IMG

Professor Gudeman convened the meeting at 3:15, welcomed Professor David Pui, Chair of the IT Consultative Committee (ITCC), and called for introductions. The discussion then turned to the compact process.

Professor Pui explained that in IT, the Dean presented the compact to the ITCC and also said the department heads should facilitate discussion with the faculty (it is unclear how consistently the department heads did so). Important items in the compact, and the web site for the compact, were noted in the minutes of the ITCC, which are distributed to all faculty and staff. The ITCC identified seven topics of importance and surveyed the IT faculty on what the ITCC should focus on; of the 50 faculty responses, the most important item was the decline in the University's NRC rankings in some programs and the least important was the IT compact.

A number of points were made in the discussion.

- Many faculty do not know what the compact is, and do not appear to care.
- Is there any difference in IT as a result of the compacts? Dean Davis indicated he wished it to focus on items that had funding implications or that were out of the ordinary; some colleges may have done it differently.
- Most of the "input" to the process came from the department heads, although, said one Committee member, they would likely say they had little impact on the compact. It was recalled that

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Dean Davis had said that one of the values of the compact is knowing what is going on in other colleges, and by bringing things to light, facilitating interdisciplinary work across colleges. Professor Pui said he did not have direct knowledge if that has occurred.

-- Professor Pui said he believed the compact was a good idea. Before the process was initiated, there was much distance between faculty and planning; now at least one can go to the web and see what the document says. Those who care can exert considerable influence. The process should not be abandoned; this is a more open process that allows faculty to see what is occurring. The process before, said one Committee member, had no timetable and was "structureless."

-- In the case of IT, a number of faculty were alerted to the compact by the survey from the ITCC, and took a look at the web site. Few were surprised by what they saw.

-- One Committee member observed that what has been learned in these sessions is less about the compact process than about the different management styles of deans and department heads. In addition, however, it identifies Dr. Bruininks as being in a key position to articulate the differences and the links between the compacts. They bring college activities together at one point in the University; this may, however, make no difference to faculty, and it does expose the different styles of the deans.

-- One benefit of the process is the consultation and exchange between the dean and the administration about the college goals; it is not a case of the boss setting the goals. They are mutually-agreed upon, not top-down.

-- There is a need to better publicize the compact statement and the need for more faculty involvement in its development. One reason for the lack of interest now is that nothing unexpected is happening. The ITCC is key for faculty participation; if it is at a low rate, it is because faculty do not know what is possible for them and they should be informed about what it is and why they should influence it. One role for the ITCC may be to say WHERE the compact should be discussed (e.g., in addition to department heads, also provide some other avenues).

-- The NRC rankings are being approached through the compact process; the priorities of the faculty can be addressed in the same way. The process could have more utility than many faculty realize. Professor Pui agreed that the ITCC could take on the responsibility for informing the faculty about the importance of the process.

-- The ITCC was informed in considerable detail about IMG last year, and will be so again this year and will distribute the information to the faculty via the minutes of its meetings.

Professor Gudeman thanked Professor Pui for joining the meeting.

2. Issues Pending

Professor Gudeman next related to the Committee that a draft statement on the principles of Incentives for Managed Growth (IMG) had been prepared by Drs. Bruininks and Kvavik. He said he does not care for the name of the process, because it is not about growth. The paper has raised a larger set of questions about budget and budget management and principles. One issue of concern to many is the place of common goods, such as the libraries, in the budget, because they do not fit in IMG. What is

needed is an articulation of what the budget is about, as an instrument of policy, and he has been pulling together a number of issues to consider.

The Faculty Consultative Committee is also interested in this matter, and has talked about appointing a task force. There are many issues that need to be taken up (e.g., the use of "taxes" for such things as the Enterprise Systems and new telephone system, internal service organizations, auxiliary organizations, diversion of revenues from one organization to another, historical practices). There is also a need for considerable preliminary work and open discussion.

Professor French noted that the IMG Oversight Subcommittee is dealing with a number of these issues, and there would need to be careful coordination between any task force and the work of the Subcommittee. For example, it appears the deans believe common goods need funding, use of a tax is acceptable, taking money "off the top" is less desirable because it becomes less clear where the funds are going. Another question is whether there is any choice on the Enterprise Systems.

A larger question, it was said, is who decides what common goods are and how they are funded. The compacts and IMG illuminate what is occurring in the budget, but other processes could do so as well, and in either case the result is better institutional governance. This Committee should debate what common goods should be and how much funding they should receive. Any task force will need people with considerable knowledge, and this Committee cannot do what a task force would.

After brief additional discussion, the Committee voted unanimously in favor of the following motion:

The Senate Committee on Finance and Planning recommends that a task force on the budget be appointed, with the membership to be determined jointly by the chairs of the Faculty Consultative Committee and the Finance and Planning Committee and the Executive Vice President and Provost (subject to final approval of the membership by the two committees), with the charge to be written by the two committee chairs and the Executive Vice President, and with the task force asked to complete its work by the end of Fall Semester, 1999.

[When presented to the Faculty Consultative Committee, there was general agreement with the sentiment of the resolution, except that the task force should be expected to report on its work by the end of Fall Semester, rather than be required to complete its work.]

3 Capital Projects and the Community Plan

Professor Gudeman now welcomed Vice President Gardebring to discuss community relations.

Dr. Gardebring explained that the President had asked her to look at community relations, because he thought the University was not doing as well as it could in the area and that it was not assertive enough in talking with its neighbors, especially in Minneapolis and St. Paul. She reviewed the process of University communication outside its borders and found that it is not consistent, so began working with groups to develop ideas, which has led to a plan for community relations and the capital budget process which she hopes the Regents will approve in March.

The plan has both internal and external elements. Internally, there will be two changes. The first is to expand the understanding of the capital oversight group about the University's entire agenda. Most of this is in the capital budget, but there are private developments around the campus attracted to the University because of needs that it generates (e.g., housing) and which the community identifies with the University. Real estate transactions would also be included. The idea is to talk with the communities about everything that relates to them, so they are aware of the University's ideas and plans as well as those of private developers when the University knows about them.

The second aspect of the internal change is to add in the pre-design process a "neighborhood impact analysis" so there is a systematic look at traffic, noise, parking, etc.--the things that have an impact on neighborhoods and that make them angry.

Externally, the intent is to be more aggressive in communicating with communities. This could include annual meetings with each community to inform them of developments about which the University is thinking, written communications, and periodic planning conferences once or twice per year. The last could be day-long meetings with transit officials, elected officials, community groups, land-use planners, and so on, with a request that they let the University know about issues of concern to them. The meetings would provide the opportunity for an exchange of ideas with cities and communities.

Dr. Gardebring said she did not assume that these steps would eliminate all controversy, but it is to be hoped they would improve relations and identify early in the process things that make people angry and about which the University could do something. They could at least also eliminate complaints about the process.

In response to a question, Dr. Gardebring said the same process could be used at the coordinate campuses and that she has spoken with the chancellors about it. At present she is operating on the squeaky wheel principle, however, and dealing with the Twin Cities.

One Committee member asked if, setting aside the principle of being a good neighbor, this process would measure up under a cost-benefit analysis. Dr. Gardebring said she did not know what the cost would be; one worry is that it will give people more time to organize to oppose the University. Two potential benefits, however, are that when people are really mad, they will sue, and the process should help to avoid political difficulties. All of this involves intangibles, she said, and she is not a Pollyanna, but the process could help avoid some controversies.

It has been said the University has turned its back on the west bank; would this process address that concern? It would, Dr. Gardebring said, and the University has tried to improve those relationships in its planning for the Art building.

Professor Gudeman recalled that Dr. Gardebring had also talked about a broader range of activities with the Faculty Consultative Committee, such as public/private partnerships, assistance for local communities (Stadium Village and Dinkytown), and minority businesses. Where do those stand?

That is the second piece of the plans, Dr. Gardebring said. the President has asked her to look at what other universities have done when they exist in a deteriorating area. He asked if there is a role for the University in local redevelopment. She has prepared an initial proposal and intends to start with a brainstorming session with faculty who are interested to elicit ideas about the University's role and to be

informed about what other universities have done. There is fertile ground here, she said, because the University has not been inclined to reach out systematically, or to use its infrastructure or finances to benefit the community.

Asked about finances, Dr. Gardebring related that some universities have entered partnerships and obtained grant money for economic development. She said she had no specific ideas, but is simply raising the question of whether the University should spend money in ways that benefit its neighbors.

The Committee then discussed briefly with Dr. Gardebring the question of real estate acquisitions and how they might be funded. Dr. Gardebring concluded by crediting President Yudof for going to a number of community meetings; people respond well, she said, and that helps to smooth things out.

Professor Gudeman thanked Dr. Gardebring for joining the meeting, and adjourned it at 4:35.

-- Gary Engstrand

University of Minnesota