

SENATE RESEARCH COMMITTEE*
Friday, April 11, 1997
MINUTES OF THE MEETING

PRESENT: David Hamilton, Chair, Len Kuhi, Kathryn Rettig, Joel Eisinger, Barbara Van Drasek,

Jesse Grenz, Mark Brenner, Dorothy Hatsukami, Ed Wink

OTHER: Frances Lawrenz, WinAnn Schumi, Richard Pfutzenreuter, Maria Bognanno

REGRETS: Marilyn DeLong, Jennifer Long, Mark Snyder, Susan Hupp, Robin Dittmann, Burle Gengenbach, Phil Norcross

ABSENT:

These minutes contain discussion on the following agenda items: ICR, Academic Misconduct, Biweekly payroll conversion for graduate assistants, Vice President for Research Search.

The following contains revisions, as per Burle Gengenbach, to the proposed amendment to the Academic Misconduct policy.

Prof. David Hamilton, chair, welcomed the members and introduced Richard Pfutzenreuter, Associate Vice President for Finance and Operations, who gave a presentation on Indirect Cost Recovery (ICR) and its relationship to Incentives for Managed Growth (IMG).

ICR

Mr. Pfutzenreuter discussed the history of the Minnesota state statute M.S. 137.41, relating to the recovery of indirect costs. The current statute reads: "Indirect cost recovery money received by the University of Minnesota must be used exclusively for the direct support of research or the financing of support activities directly contributing to the receipt of indirect cost recovery money. It may be used for debt retirement for research-related buildings. It may not be used for teaching or service." According to Mr. Pfutzenreuter, the statute has been in effect for at least ten years, and was the result of an agreement between the University and the legislature, and became a problem at the University in part because of what the University is doing with IMG, particularly at the School of Public Health. Mr. Pfutzenreuter compared the current distribution of ICR monies to the new method, going into effect on July 1, 1997. Under the current ICR structure, the funds are distributed based upon historical allocations. He added that the process has not been well understood, and there has been little incentive to obtain additional dollars.

Len Kuhi noted that most people who apply for grants are not looking for more ICR dollars, rather they are looking to do research. He stated that if there was an assumption that people were out looking for additional ICR dollars, it was a completely false assumption. Prof. Kuhi said that he didn't think people would object to paying overhead rates on grants and contracts if they could actually see the services that those rates are supposedly paying. He noted that the maintenance of buildings had not been

*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.

mentioned, which was supposedly one of the areas where ICR dollars were supposed to go towards, and that when people see buildings collapsing, they wonder where their ICR dollars are going.

Mr. Pfutzenreuter said the reason the University wants to repeal the Minnesota state statute is to give the University the flexibility to decide how it will spend ICR dollars. Prof. Hamilton noted his feelings that ICR money should be used for research purposes. He did not feel the University should have the option of making decisions on the uses of ICR dollars for non-research purposes, particularly teaching. He added that University administration has lobbied the legislature to repeal the statute without having gone through proper consultation with academic governance. Mr. Pfutzenreuter indicated that the topic had not gone to any other Senate committee as yet. Prof. Hamilton said he would like to see the Research Committee take the issue to the Senate Committee on Finance and Planning, so as to begin the process of finding out what the faculty think of repeal of the statute.

Mark Brenner gave a brief summary of the meaning of Indirect Cost Recovery and how it is generated. Mr. Pfutzenreuter related ICR to IMG. He noted that O&M money is a combination of state subsidies and tuition. Those dollars have historically been combined and allocated so that no collegiate unit knew how much of that money was tuition. One of the things the University did under IMG was to break the state subsidy and tuition apart. He noted that currently the departments get a tuition allocation and a separate state subsidy allocation.

Prof. Hamilton stated that he was most concerned about the fact that faculty governance had been bypassed in what could be a very significant decision. He noted that central administration should engage faculty governance in the process rather than informing them after the fact. There was some indication that there had been a misunderstanding as to what constituted appropriate consultation due to the nature and location of the discussions regarding the issue that had occurred between Prof. Hamilton and Mr. Pfutzenreuter on previous occasions.

Len Kuhl proposed a resolution requesting that the administration cease its attempts to repeal the statute until appropriate consultation had occurred. "Be it resolved that the central administration should cease efforts to repeal M.S. 137.41 until full faculty consultation has taken place." The motion was seconded by Jesse Grenz, and with no discussion passed unanimously.

ACADEMIC MISCONDUCT

An amendment to the Regents Policy on Academic Misconduct was introduced by Prof. Hamilton. The proposed amendment was to replace Section VI, Subd. 4, Interim Administrative Action, "As provided by federal regulations (42 CFR, part 50, subpart A and 45 CFR, part 689) at any stage in the process of inquiry, investigation, formal finding, and disposition, the University may take interim administrative action to protect federal funds" with:

"As provided by federal regulations (42 CFR, subpart A and 45 CFR part 689), at any stage in the process of inquiry, investigation, formal finding, and disposition, the University, as necessary, may take interim administrative action to protect federal funds. Such administrative action is independent of the due process procedures and, of itself, shall not be considered as evidence of misconduct during the formal misconduct procedures. The reason for interim administrative action also must result from an event independent of the administrator who takes action, such as findings arising from an independent

audit or charges brought by an independent person familiar with the facts of the situation. Administrative action may, for example, result in sequestering federal funds of the principal investigator(s) or temporary appointment of a replacement principal investigator to approve budgetary decisions and authorize expenditures of federal funds."

Len Kuhi moved that the amendment be approved, Dorothy Hatsukami seconded. Fran Lawrenz indicated that the amendment might not need to be as lengthy as it was. With no further discussion, the amendment passed unanimously.

BIWEEKLY PAYROLL IMPLEMENTATION

Prof. Hamilton raised the issue of the implementation of biweekly payroll for graduate assistants beginning June 16. He noted that there was some concern among faculty that graduate students would be put under some hardship when implementation occurs. He said he was concerned about the delay of payment and how it would affect graduate students, whom he added were among the least able to absorb the delay in pay. Mark Brenner explained that the graduate student payroll would be changed in June rather than September due to the Tuition Remission Program, which would be implemented in the Summer, and the need to have graduate students on a biweekly payroll at that time. Prof. Hamilton suggested an 8-day advance to graduate students, and Prof. Brenner indicated that he, too, would like to soften the blow. It was moved by Joel Eisinger that a resolution be drawn up stating the Research Committee's support of assisting graduate students who would be affected by the implementation of the biweekly payroll. The motion was seconded by Len Kuhi, and passed unanimously.

VICE PRESIDENT FOR RESEARCH SEARCH

Prof. Hamilton introduced Mario Bognanno, Chief of Staff, who asked the Committee for feedback on the position posting that was being developed. Size and membership of the search committee were discussed, as were qualifications for the position. Mr. Bognanno asked for suggestions as to potential members, and indicated the nominees should have significant grants experience and experience with national organizations.

BUDGETARY CUTS

Mark Brenner noted that his office was faced with a significant amount of budget cuts for the 1997-98 academic year. He stated that 56% of the cuts in academic affairs were coming from Research. Prof. Hamilton asked Prof. Brenner to bring some figures to the next meeting.

With no further business, the meeting was adjourned.

Respectfully submitted,
Dana Swanson
University Senate