

Minutes

Senate Consultative Committee March 2, 1989

Present: Mark Brenner (chair), Tim Erickson, Paula Faraci, Warren Ibele, Katie Jodl, J. Bruce Overmier, M. Kathleen Price, Burton Shapiro, W. Phillips Shively, Carrie Simenson, Nancy Surprenant, John Tackett, James VanAlstine

Guests: David Berg (MPIS), Acting Vice President Shirley Clark, Christine Grams (new student representative from Waseca), Gayle Grika (Footnote), President Nils Hasselmo, Fred Morrison, Nick LaFontaine (Budget Office), Maureen Smith (Brief), Charlotte Striebel

1. Open Discussion

Professor Brenner informed the Committee that it would be responsible for conducting meetings with the finalists for the University Librarian position. The three interviews will be held March 6, March 8, and March 17; all of the deans have also been invited to participate.

Professor Brenner also said that the Committee had to make a decision about when it would hold one of its meetings on a coordinate campus; it was tentatively agreed that the meeting would be held at Morris on April 6.

2. Reports of the Chairs

Student Senate Consultative Committee Ms. Simenson began by introducing the new representative from Waseca, Christine Grams, who will replace Nancy Surprenant. She also reported that SSCC had discussed tuition levels with the Higher Education Coordinating Board and that the Social Concerns Committee will hold a forum on the issue of the University's human rights policy vis-a-vis ROTC policy banning homosexuals.

Senate Finance Committee Professor Ibele briefly reviewed the items which would be on the agenda for the meeting, which include the development of the financial management system, the tuition report, support services, discussion of the civil service survey instrument, and contingency financial planning.

Professor Brenner wondered whether or not the criteria for reducing the number of items on the capital request were distributed to or known by committee members. Professor Ibele commented that the primary criterion was supposed to be health and safety improvements; there is a question, he said, about units which have received planning money and then find that the building is not on the list--which would be the second time, inasmuch as there were no capital request items funded last year, either.

There was also brief conversation about the decentralized budgeting proposal. Reservations were expressed about putting all University units on a profit basis when the University is non-profit, about the ability of units to link academic planning to budgeting if they operate on a profit-center basis, about possible tensions with Summer Session, Extension, and the Graduate School, and about whether or not the appropriate factors would be taken into account in planning if units operated on a profit basis. Professor Ibele commented that Senate Finance would have recommendations on the proposal which

would suggest tempering it; Mr. LaFontaine joined the conversation by noting that budget decentralization was intended to be more sensitive to academic needs than had been apparent and that it was not supposed to be purely revenue-sensitive or mechanistic in the application.

Mr. LaFontaine told the Committee that a new version of the decentralization proposal is being prepared.

3. Interim Report on Tuition

Professor Brenner welcomed Mr. LaFontaine to the Committee for the discussion of the Interim Tuition Report; Mr. LaFontaine began by distributing to the Committee copies of a letter he had received from President Hasselmo in response to the report and by reviewing the data contained in the report. [Copies of the report can be obtained from the Consultative Committee office.] One principal conclusion reached was that the comparative advantage Minnesota enjoyed 10 years ago in funding for higher education has eroded to the point where Minnesota is now only average in its support.

President Hasselmo, Mr. LaFontaine reported, has suggested that the group examine additional strategies which might serve to mitigate tuition increases; the committee is beginning to explore these possibilities.

A comment was made that MPIS has suggested that there are problems with the formula which call for a certain percentage of costs of attending college are paid by the student, a certain percentage by the family, and a certain percentage by the state. It may be that tuition is in line and the state portion is in line; perhaps the family support percentage is not being provided. Mr. LaFontaine noted that Minnesota uses a "shared responsibility" model, whereby both the student and the family are expected to contribute to the cost; while the committee discussed possible unmet needs, it was unable to document that there is \$20 million of unmet need. They had to assume that any unmet need is covered by students cutting down on living costs and by working. In response to a question, Mr. LaFontaine said the committee had not had time to explore whether or not one possible indicator of unmet need had been an increase in the debt level of students. He did add that it has been conscious federal policy over the last few years has been to shift student aid from grant to loan, although numbers are hard to find.

It was pointed out that by relying on FYE (full-year equivalent) data, the committee may be ignoring the fact that students do not take as many credits, that 15 credits per quarter may not be an accurate measure of FYE students, but that the University's fixed costs remain and that failure to take this pattern into account may mean the actual costs may never be communicated to the legislature.

It was also noted that the method of financing graduate tuition, through the fringe benefit package, has undesirable consequences when it comes time to compare Minnesota's fringe benefits with those of other institutions. On this latter point, Mr. LaFontaine assured the Committee that he had explained this arrangement at considerable length to the Department of Finance and that he was confident that the Department and the legislative analysts would not confuse the 3.8% for graduate tuition remission with general faculty fringe benefits.

Mr. LaFontaine was asked how the recommendations on elimination of tuition banding (that is, a single tuition rate for those who enroll for 15 - 18 credits in a quarter) and for a single upper division

tuition rate would coincide with the Regents' policy on cost-related tuition; he replied that the President had referred this question back to the committee for further study. The question, he observed, is the level at which the units are aggregated in order to compute the cost-related tuition--it could be at the upper division level as well as at the collegiate level. He also commented that the proposals on tuition were intended to be revenue-neutral; a single upper division rate would mean that the higher levels in some units would drop and the lower levels in others would increase. It was suggested that engineers, lawyers, and doctors could afford higher tuition; they will make more money and their programs are more expensive. Banding encourages students to get their degree in a timely fashion while the per credit tuition makes education more cafeteria style--it moves toward bean-counting rather than embracing the idea of what a university should be about. Mr. LaFontaine said the committee saw banding as a subsidy from part-time students to full-time students, which was a questionable practice in a large urban university with many part-time and older students; the result, he said, is to take money from those who can least afford it. At present tuition banding results in about a \$2 per credit subsidy in the band; about \$3.5 million in tuition is not being collected in the band.

Asked about the apparent conflict between a single upper division tuition and the proposal for decentralized budgeting, Mr. LaFontaine pointed out that the tuition report reflected the views of the committee whereas the decentralized budgeting proposal was his, although he added that he thought the two proposals could co-exist. It was suggested that if the point of a single upper division tuition was to eliminate the dodging which some students apparently engage in, one alternative might be to charge a transfer fee; another possibility would be to charge tuition based on the college in which the course was offered rather than the college of enrollment of the student.

Several comments were made that students do not necessarily accept the implications of the report that the Regents and the administration do accept, that data should be gathered on the percent of student income taken by tuition, and that there was frustration that the committee only shuffled around the tuition system, and who pays, rather than having examined the real problems. Mr. LaFontaine observed that the committee had not originally been asked to explore ways to mitigate tuition but that the President has now asked them to do so.

4. Discussion with President Hasselmo

Professor Brenner welcomed President Hasselmo to the meeting and enumerated the items which the Committee wished to discuss with him.

Legislative request Asked about line item appropriations versus flexible funding, the President said the University wishes to retain flexibility to put money where it will do the most good. The special appropriations are a mixed bag of high priorities and priorities which are very low.

President Hasselmo said that he hoped that University priorities could in the future be better honed and a stronger case made for them than has been the case in this year when the priorities have been set by St. Paul. By setting priorities the University can create a sense of continuity and also create a legislative understanding that the University has thoroughly thought through those priorities. The current priorities are thought through, but perhaps not well enough; in the future the legislature might better respect the institution's rankings. There will always be, he added, a grab bag of specials, but they might be minimized in future years.

Capital request There has been, the President reported, no decision on whether or not there will be a bonding bill this session; St. Paul is looking at health and safety issues and perhaps some planning money. The University was asked to provide, in 48 hours, a list that met new criteria; the President said there had been no examination of the priorities in light of previously-appropriated planning money. Vice President Clark added that with the new criteria, the University's capital request list had to be altered; there was, however, no sense that this was a change for the long term. The President agreed that the original priorities for construction money should be reaffirmed and that they would be followed; if there is no bonding bill, the University would revert to its original list--the revised list is only a temporary aberration, he said. The President was asked to communicate his views to academic units.

1990-91 calendar The recurring question of the 3-day spring break arose. After deliberating several possibilities, the Committee, by straw vote, agreed that if it is not too late, the Senate should perhaps vote on the possibility of pushing back spring quarter, and thus summer session. If necessary, Professor Brenner said, there could be a special Senate meeting to address the issue. Vice President Clark agreed to ascertain whether or not it was too late to make a change in the calendar.

The M-SPAN report The President reported that the Higher Education Advisory Committee (HEAC; the system heads) had discussed the M-SPAN report and how to approach the issues. The Higher Education Coordinating Board has made recommendations to the legislature; they expressed preliminary support for some of the recommendations and further study of others. There are five major issues which HEAC is concerned: Minority students in the elementary and secondary systems and the supply of teachers (and, eventually, access to higher education); access to undergraduate education; access to practitioner-oriented masters programs in business, education, accounting, and engineering; tuition and financial aid policies; and science and engineering programs.

On the urban mission question, the President said there was no indication of any initiative to create a new four-year institution in the Twin Cities; HECB may want to do further market analyses to determine if there is an unserved clientele. HECB is also seeking money for M-SPAN 2, for Greater Minnesota; if appropriated, action on the first M-SPAN report will wait on the outcome of that report since they are integrally linked.

Action agendas The President said he will speak to the Committee of the Whole of the Board of Regents on March 10 about his action agendas and will be specific in terms of the actions taken, those being done, and those which will be done. One problem is the extent to which money can be committed when the University's budget for next year is only known within a range of plus or minus \$150 million. President Hasselmo said that he and the administration would be going around the State to generate interest in the University.

One student member of the Committee expressed disappointment in the administrative presentation to the legislature about undergraduate education; Vice President Clark noted that students were not present when major attention was paid to the issue. President Hasselmo commented that legislators may share the perception; although the administration is making the case for faculty recruitment and retention, and for equipment, as essential to improving undergraduate education, maybe the link is clear in the minds of University people but not of the legislators. It was suggested that there may be some buck-passing going on, with the legislators telling students to lobby the Regents but the

University saying it can't do much unless the legislature appropriates the money; President Hasselmo responded that students should lobby the administration for specific projects, rather than the legislature, but acknowledged that the University does need to have funds available from the legislature. He added that the legislative request may not be structured to obtain the educational improvements which the University is seeking.

Tuition report Professor Brenner told the President that the Committee supported his request for further study on some questions; the President also said that financial aid, in the view of HEAC, needs to be addressed immediately. In response to the disgruntlement about the failure to examine more fundamental issues concerning tuition, the President agreed that they should be explored. One question, he said, is about the best way to structure tuition: Should it permit students to stretch out their time or try to push them to complete their college work in four years? He also agreed that whether or not the proportion of instructional costs intended to be covered by tuition (1/3) is open to examination. One Committee member opined that there were three levels of questions involved: First, does the University make do if there is no legislative response; second, is the 1/3 proportion fair; and third, is the State prepared to make the long-term investment similar to the GI Bill after World War II, which, it was argued, was the most significant investment the United States ever made in higher education--and which the US has been living off of ever since.

5. Further discussion of the grievance procedure

Professor Brenner welcomed Professors Morrison and Striebel to the meeting and explained that questions had been raised about the draft grievance procedure, although the Committee had not yet received responses from the other Senate committees to which it had been referred for comment.

Professor Morrison informed the Committee that he and Professors Deinard and Striebel had met with the deans and had received calls and letters; they had a series of issues which need to be addressed which were yet open for discussion. The issues include defining "day" better, promotion cases, the Graduate School, the coordinate campuses, grading, the timetable and emphasis on mediation, the size of college committees, and the duty to testify. On the latter, he said, there had been considerable discussion because there seem to be a lot of people who will not come forward.

Professors Morrison and Striebel were asked about taped records of grievance proceedings being available for subsequent legal proceedings, but with testimony from witnesses who are not sworn at the hearings, thus creating the possibility that perjured testimony might become an uncontested part of the court record. Professor Morrison replied that the testimony becomes a part of the record but is not necessarily accepted as the truth; he also said that he thought the University should seek the authority to issue subpoenas and to take sworn testimony (as, he added, every sewer district and other units in the State have). The University, however, has declined to seek such authority; the Committee might ask the President to seek such authority from the legislature if it wished. Professor Striebel observed that the hearings probably would be recorded, and thus become part of the record should litigation develop. Professor Morrison added that concerns about perjury are separate from the question of the duty to testify; one should not say that people should not be compelled to testify because some of them might commit perjury.

In response to a question, it was pointed out that both the individual and the department have a

right to appeal a decision.

Professor Brenner said that the procedure would be brought to the Senate in April; Professor Morrison told him that the plan was to write the final draft during the week of spring break and bring it back promptly.

The Committee adjourned at 3:45.

--Gary Engstrand