

Minutes

Senate Consultative Committee March 5, 1992

Present: Thomas Scott (chair), Mario Bognanno, Denise Eloundou, Judith Garrard, Michael Handberg, Paul Holm, Norman Kerr, David Lee, Stanford Lehmborg, Tom Lopez, Charlotte Striebel, Denise Tolbert, James VanAlstine, Christine VeLure, Jeff Winker, Shirley Zimmerman

Guests: Vice President Robert Anderson, Geoff Gorvin (Footnote), Senior Vice President E. F. Infante, Donald Peters (Office of Student Affairs), Maureen Smith, Garrett Weber (Daily)

1. Discussion with Senior Vice President Infante

Professor Scott convened the meeting at 12:30 and welcomed Senior Vice President Infante to the meeting.

STATE SPECIALS Dr. Infante began his comments by outlining the status of the plans to fold some of the State Specials into the Operations and Maintenance budget. He reminded the Committee that there are four State Specials, each with a number of components: Agriculture, Health Sciences, Institute of Technology, and System. He explained the process by which consideration of folding them into the O+M budget had evolved; the President, after consultation internally and with the Governor, recommended that certain of the Specials be folded in.

The administration, he told the Committee, does not feel strongly about folding the Specials into the O+M budget, except that it feels very strongly that certain of the Specials should NOT be folded in (such as the Natural Resources Research Institute at Duluth, the Veterinary Diagnostic Labs--activities that are very important but that must be separate because they become part of the arithmetic that calculates FYE student expenses if folded into the O+M budget--and invidious comparisons are then made).

What prompts the Governor's sudden and strong interest in folding the Specials into the O+M budget, inquired one Committee member. It is clear that legislators care a great deal about the Specials, Dr. Infante said; they view the Specials as "theirs," as a creation of the legislature. There has been pressure to compact the Specials; there used to be 69, but the legislature agreed to reduce that number to four categories and to give the University the flexibility to move funds around within those categories. The Governor argues that the University should have MAXIMUM flexibility in its reallocation process, and wanted to fold ALL of the Specials in. Dr. Infante acknowledged, however, that he was surprised at the Governor's insistence.

The University should not be neutral in this debate, argued one Committee member. Much of the discussion arises from IRs versus DFLers and the Governor versus the Legislature; the University should not be comfortable if one branch of the government decided to fold this Special and not that one--they are then defining educational policy.

Another reason for the Governor's interest, it was suggested, is more cynical; he wants to cut the O+M budget, but by adding in the State Specials, he can make it look as though the budget has stayed the same.

Such a change would have implications for tuition, it was said, but Dr. Infante contradicted that view. The O+M budget is now divided into two pieces, he said: instruction and research/outreach. Folding all the Specials in would not necessarily affect tuition, although a couple of the Specials are cause for worry in that regard (the Talented Youth Mathematics Program and the Hospital Education Offset); one can make an argument (that he does not accept) that they are part of the University's instructional costs.

Dr. Infante solicited comments from the Committee about the possible changes. One individual observed that the University must insist on looking at total budgets; another pointed out that there is a feeling that the Specials have produced additional funds for the University, over the long term, and that if the Specials had not been funded, the dollars would have gone to highways or someplace other than the University. That hypothesis has never been tested.

Concern was expressed about the impact of the Hospital Education Offset on tuition; Dr. Infante said it would increase tuition by about 2.6% if it became part of the divisor.

THE "WALDORF" PLAN The "Waldorf" plan, if adopted, would double tuition for institutions of higher education and reverse the 1/3 - 2/3 ratio of State funding for instructional costs. The present legislation does not exempt graduate and professional programs, although the authors say it will be amended to do so.

The net change in State appropriations for higher education would be a reduction of \$123 million--which could either be put into improvement of higher education or could be used to help with the State's budget deficit. Under the plan, student aid would go from 10% to 45% of the appropriation for higher education, and upper income families would not qualify for it--but students from those families would continue to pay tuition, so there would be an increase in total resources in higher education. The legislation would reduce the amount of direct aid to institutions but would increase the amount of aid in the hands of students. The funny thing about the analyses, Dr. Infante observed, is that they all assume there would be no change in student behavior.

One student member of the Committee expressed fear that the State would not provide enough additional aid; she is at the University because it is affordable; she could not afford to attend if tuition were doubled and there were not sufficient aid to make up the increase. Dr. Infante said that the best analyses the administration can do suggest that there is a break-even point at around \$38,000 to \$42,000, where the change would have no effect on the cost of attendance. For those under that level, it would decrease the costs. For those over, costs would increase, and for those with family incomes over \$55,000, the cost of tuition would simply double.

Dr. Infante told the Committee he sees three problems with the bill at present:

First, he is convinced it would be a disaster if it were implemented by Minnesota without reference to what surrounding states are doing. It is likely there would be a significant outflow of students to Iowa, Wisconsin, and the Dakotas.

Second, the authors say it will not apply to graduate and professional education, but it does at present--and while tuition would be doubled, aid is only available to undergraduates.

Third, there is a likelihood that there would also be an outflow of "cheaper" programs to other

institutions, especially from public systems, leaving the University with only the expensive ones.

It is also likely, if the State appropriation to the University were reduced by half, that the ability of the institution to buy down expensive tuition would be lost. The cost of tuition for a CLA student would go to about \$5800--but the actual (full) cost of instruction in CLA is only \$5500, so it is likely there would soon be protest about charging more than the cost of instruction.

Dr. Infante said he has, in testimony, been emphasizing the unintended consequences of the legislation. The authors are well-intentioned, he said, and are friends of higher education who want to help it. He said he believes, however, that the long-term effect of the bill, if adopted, would be to make insupportable the uniform undergraduate tuition policy.

Committee members expressed varying and largely negative views about the proposal. One suggested there would be significant inequities as a result. Another commented that the bill moves in the direction of having a system of higher education that only the wealthy and the poor can afford--the system that now exists in nursing homes.

Dr. Infante concluded his remarks by expressing surprise at the high level of support for this approach to higher education public policy in the research literature. While it may not pass this year, he said, it or something like it appears to be inevitable.

Professor Scott thanked Dr. Infante for joining the Committee.

2. Task Force on Student Employment

Professor Scott next welcomed Mr. Donald Peters to the meeting to discuss the task force on student employment that is to be appointed by Vice President Hughes. Mr. Peters explained that student employment has been around as an issue for some time; Vice President Hughes and Provost Infante want it examined. Questions to be considered include wage levels, whether or not student employment should be part of financial aid, and whether or not it should be associated with a co-curricular model.

Other questions it might consider, suggested one Committee member, include whether or not student employment facilitates or delays graduation, if on-campus employment continues into the later career of a student, if it has an impact on retention, if EEO regulations are followed, and if there should be a limit on the number of hours a student may work.

Discussion turned to the relationship between graduation rates and student work loads. Advisors are telling students to get through quickly; students, in turn, say they have to work to be able to afford to attend school, Mr. Peters related. That graduation rate data is constantly thrown in the face of the University; the reasons are known, he said, but if solid information can be gathered, the University would be able to make the case for additional student aid.

Students do not voluntarily stay for six or seven years, it was exclaimed--they have to because they work. Mr. Peters observed that some believe students have a lot of money; it is to be hoped that the task force can produce data on working students and the cost of education. There is no information, he said, about the number of students who receive aid from their parents, but the University does know that it provides aid to 37,000 students, almost all of them undergraduates.

Several comments and suggestions were made by Committee members.

- Consideration might be given to linking aid to progress to a degree.
- Data from other institutions should be obtained, especially Big Ten institutions. Why does Ohio State, similarly situated, have a better graduation rate than Minnesota? It is said, Mr. Peters recalled, that 48% of Minnesota students receive no parental aid--which puts the University at the extreme end of the scale in that regard.
- Employment of students who work OUTSIDE the University should also be explored.
- Information should be obtained about the possible impact of a proposal to reduce student wages in order to make more jobs available, and in particular the possible impact on graduation rates. One possible result, of course, might be that students would then have to work longer hours, or additional jobs, to earn the money they need. Student members of the Committee expressed considerable alarm and opposition to the possibility that wages might be cut.
- Funds for student employment at Morris have not been increased for 15 years, but there are a lot of students who want to work.
- Wage increases should be linked to tuition increases.

Mr. Peters said that these points would be taken up by the task force. Professor Scott thanked Mr. Peters for joining the committee.

3. Discussion with Vice President Anderson

Professor Scott next welcomed Health Sciences Vice President Robert Anderson to the meeting. Dr. Anderson related how it is that he came to Minnesota and his long-standing connection to the University.

Dr. Anderson observed that he could identify a number of issues where the needs of the health sciences might run counter to what most Committee members hold near and dear, such as time to a tenure decision and how to respond to female faculty members who want to take time to start families. On the latter point, it was suggested that the problem is not unique to the health sciences nor should it, by and large, even be a problem; Dr. Anderson said that he nonetheless receives letters saying that the tenure system works to the disadvantage of women faculty.

Another issue raised in the discussion was faculty concern about the policy requiring that collaboration in research be restricted to University colleagues wherever possible. Dr. Anderson said he was not familiar with the specific policy but it has been an overarching policy, at the places he has been, to look first to one's colleagues for collaboration in research. He agreed that such a policy could be an infringement of academic freedom and might restrict the University's outreach efforts but pointed out that if there are two equally qualified faculty to engage in research, one next door and one elsewhere, hurt feelings engendered by choosing the external colleague can escalate into unnecessary internal conflicts.

Dr. Anderson was asked for his assessment of the integration of the health sciences with the rest of the University--what works, what doesn't, and why not? He replied that there are natural alliances; if the personnel and time are right, there are opportunities, especially in teaching, for developing affinities that are good for the University--and that can spin off into research. The question is a delicate one; one should be not be too aggressive, but also not so reticent that nothing happens. It is useful to keep the objective in mind, he said, so that one does not duplicate programs. If units would invite him to discuss the possibility of collaboration, he told the Committee, he would be delighted to participate.

Asked how he believed the "subject area vice presidents" (Agriculture, Health Sciences, Research) will fit together, Dr. Anderson said it is a critical issue and one they are still feeling their way through. People of good will can sort out the issues, he said, and he is approaching the situation in that way. A related problem, he explained, is how to represent a group of strong-minded individuals to the people in Morrill Hall--and the health sciences, he noted, are not monolithic. He said he believed the University was fortunate in its choice of the new Dean of the Graduate School and Vice President for Research and that the Committee should perhaps invite both him and Dr. Peterson in every six months or so just to see how things are going.

Asked if there are ways the Committee could be of help to him, Dr. Anderson said that if they see something coming that looks like it's going to be a problem, he would appreciate knowing about it. Problems should be dealt with when they are small, he said, and the Committee should not assume "that I see the train coming down the track."

Professor Scott thanked Dr. Anderson for joining the Committee and promised that he would be invited back in a few months.

The Committee adjourned at 2:30.

-- Gary Engstrand