

Minutes*

Faculty Consultative Committee
Thursday, October 17, 2002
1:15 – 3:00
238A Morrill Hall

Present: Dan Feeney (chair), Muriel Bebeau, Susan Brorson, Tom Clayton, Arthur Erdman, Marti Hope Gonzales, Marc Jenkins, Candace Kruttschnitt, Judith Martin, Jeff Ratliff-Crain, Martin Sampson, Charles Speaks

Absent: Gary Balas, Les Drewes, John Fossum, Mary Jo Kane, Marvin Marshak, Mary McEvoy

Guests: Interim President Robert Bruininks

Other: Vice President Kathryn Brown

[In these minutes: (1) support service accountability task force, stadium; (2) governance policy; (3) discussion with the President (biennial request, support service accountability)]

1. Report of the Chair

Professor Feeney convened the meeting at 1:20 and began by reminding Committee members of the meeting this evening with the senior officers, another in the continuing "Intellectual future of the University" discussions.

Professor Feeney thanked Professor Clayton for agreeing to serve as co-chair (with Vice President Kathleen O'Brien) of a task force to examine the accountability of support services. He noted that Interim President Bruininks, at the last Regents' meeting, devoted most of his comments to accountability. This task force is one of four groups working on various activities. He said he has cautioned both the President and Vice President Carrier that the exercise must be believable; there are a number of deans and faculty who are skeptical that anything will come from the effort.

On the issue of accountability, Professor Speaks commented that every year the University makes presentations to the legislature about reallocation but the institution has never had a mechanism to track reallocation. The Budget Management Task Force, working with Dr. Maziar, has seen a model of a tracking mechanism that appears to be relatively efficient. He said he is also encouraged that it would track reallocation in all units, not just academic units. He said he did not know how much accountability will flow from such tracking but a database on reallocation will be very helpful. Professor Feeney added that the Budget Management Task Force, in his view, was functioning very effectively.

Professor Speaks reported that the joint subcommittee on faculty salaries is moving along well but has run out of money; he and Professor Fossum have asked Dr. Maziar for a small amount of

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additional funding; they have not yet heard back from her. The subcommittee, if allowed to complete its work, should have good recommendations for the two parent committees.

Professor Erdman reported that he and Professor Martin have seen a current version of the plan for a new stadium. It does not include a 6000-car parking ramp but does include a ramp with 2000 spots. Professor Martin said that space closest to the campus was preserved in this plan for future academic use and that the transportation issues appeared to be handled reasonably well. Professor Feeney said that the committee chairs of Senate/Assembly committees that have stadium concerns would be soon be convened as a group to weigh in on issues. This will provide the chairs with a conduit to the administration.

Professor Sampson distributed copies of an article from the STAR-TRIBUNE about funding difficulties facing the Target Center; he commented that the University should bear this in mind as an example of what can go wrong.

2. Governance Policy

The Committee turned next to the redrafted governance policy. Professor Feeney recalled that the policy had gone from the ad hoc committee to Faculty Affairs to this Committee back to the ad hoc committee (with the involvement of Professors Martin and Sampson) back to Faculty Affairs and now back to this Committee again. The Committee reviewed the suggestions forwarded by the Committee on Faculty Affairs and accepted them all.

A few additional issues were raised:

- How would the report affect or be affected by the University's land-grant status?
- Clinical faculty must be given an opportunity to review the policy.
- The minutes should acknowledge the request from the executive committee of the Council of Academic Professionals and Administrators (CAPA) that this Committee NOT approve the policy. Professor Feeney said, however, that he would not take the draft policy to any other groups for discussion until it had been approved by this Committee and by the Committee on Faculty Affairs. That does NOT mean, however, that this Committee will not accept comments and concerns; the draft policy is not intended to be final at this point.

Professor Feeney said he would take the policy to CAPA, to the deans, and will invite others via the minutes to provide comments. He also said he would solicit comments and concerns about the draft policy on faculty governance from the AHC-FCC.

-- Professor Bebeau said the point she has been making about the policy is that it is intended to set forth the responsibilities of the tenured and tenure-track faculty--those responsibilities are not clearly articulated anywhere although there is a general perception about what they consist of. Inasmuch as the rights and responsibilities of other groups have been set forth, this policy sets them for the tenured and tenure-track faculty. It does NOT propose to establish the rights and responsibilities of other groups.

-- One point made about the draft was that under the terms of the policy a brand-new assistant professor could serve as chair of a department while a long-term P&A employee could not. Professor

Feeney observed that the likelihood of a new assistant professor chairing a department was extremely low; he inquired, however, if the Committee wished to allow the possibility of a P&A staff member chairing a tenure-granting unit. The Committee concluded decisively it did not; it was not appropriate to have someone without tenure reviewing and making recommendations on promotion and tenure files; it is essential to the intellectual future of the University, and good department life, to have only tenured or tenure-track faculty serving as department chairs/heads.

Does one have to have tenure IN THAT UNIT to serve as chair, Professor Speaks inquired? One does not, Professor Feeney said; tenure is in the University, not in departments, and the policy says nothing about where one's tenure home must be to chair a department.

-- Was there any conversation about "grandfathering" existing arrangements or positions? It was the view of the ad hoc committee that this policy might require change and that it does not accept the status quo, so there would NOT be any grandfathering.

Professor Martin moved that the Committee approve the policy in principle with the understanding that there could be modest alterations in it as a result of suggestions made by other groups. The motion was approved unanimously.

3. Discussion with Interim President Bruininks

Professor Feeney now welcomed Interim President Bruininks to the meeting.

Dr. Bruininks began by distributing copies of slides that he had used in his presentation to the Board of Regents the previous week outlining the 2003-05 biennial request. He turned first to the "framing concepts," of which there were three: continuity, responsibility, and partnership. First, the argument they are making is that the budget is built on a clear analysis of University needs, not just manufactured for the legislature, and it reflects resources needed in difficult economic times to maintain the University's strength. The University IS moving forward in education, research, campus physical appearance, and so on, and the budget is designed to maintain that progress.

Second, the budget request is respectful of the economic climate in the state; it is the lowest University request in ten years. Dr. Bruininks said it is important to emphasize that the University not prepare a request that will be dead on arrival at the legislature. Doing that would leave the University no opportunity to talk about its needs and would create the impression that the institution was just stupid.

In terms of responsibility, the University is saying it will be responsible for some of its own budget (50% of the requested increase).

In terms of partnership, Dr. Bruininks recalled that one student commented to him after the State of the University Address that the University wanted the state to meet the University halfway. That is about right, he told the Committee. The University has already seen a 4% reduction in its base; he worries there could be another rescission. The University will say affirmatively in its request that it can implement a 2.5% reallocation. When the University engages in such reallocation every year, it receives no credit for it--and is said only to be balancing its budget. This way the reallocation will be presented in advance so it is understood to be strategic, not just budget-balancing.

The President assured the Committee he did not want to create hysteria or imply that there will be draconian cuts. The 2.5% reallocation means moving money from lower to higher priorities, reallocation through the internal taxes, reallocation of money for salaries, and reallocation through the compact process. He said that it will mean capturing what happens below the level of the central administration--if the talk of reallocation is confined to what happens with central funds, he observed, the discussion misses three-quarters of the changes at the University.

The points that will be emphasized in the biennial request are four: set and implement academic directions, support talented faculty and staff, help students realize educational goals, and build and maintain the academic infrastructure. Setting and implementing academic directions consists of four elements: establish and maintain major investments, build on recent investments, seize opportunities, and sustain the best. Building on recent investments means putting resources into things like cognitive neuroscience, one of the foci of recent years. Seizing opportunities is something promoted by Executive Vice President Maziar, who looks at units at the "tipping point," where a modest investment plus reallocation will put a unit "over the top." Sustaining the best was not something he talked about a lot while provost, Dr. Bruininks said, but he was tenacious about this in the compact process. It takes decades to build a great department but it takes only a year to destroy it. The rankings of a few departments can have a huge impact on the University; if those departments' rankings go south the University is in trouble.

Professor Kruttschnitt asked if this approach might cause internal problems because those units not included might be concerned? It could, Dr. Bruininks agreed, but he said that in tough economic times it is even more important to stick with the model for budgeting that the University has set. Professor Feeney said that the model will resonate with the Academic Health Center because it calls for protection of the core.

Dr. Bruininks next maintained that the University must educate people about the need to build and maintain the academic infrastructure--research infrastructure, facilities, and information technology and the financial system. People need to understand what it takes to support a major research university. Professor Martin suggested that this is an issue where he or others in the administration should talk about the enormous amount of external use of University resources.

Dr. Bruininks outlined the numbers (in millions of dollars).

Set/implement academic directions		26
Support talented faculty/staff		88
Help students realize educ goals		20
Build/maintain academic infrastructure		58
Total		192
University share	49.8	26%
Student share	46.2	24
University + Student share	96	50%
State share	96	50%

The "student share" amount assumes a 4.5% tuition increase.

Professor Speaks commented that it is not clear how high the Regents would go on tuition. Even if it became necessary to go to 6 or 7%, that would not be as bad as the 13% and 16% of the last two years. Dr. Bruininks said he did not want anyone to drive a stake in the ground on tuition. The request lays out the goal, if the request is funded, but the University is not committed to any particular level of increase. He said the administration must work with students so they understand that the University does not want to harm undergraduate education because of insufficient revenues. He said students must understand the trade-offs and that if the University sees a bad result in the legislature, tuition may have to increase more than 4.5%.

The Foundation Board of Directors is of the view that tuition on the Twin Cities campus could be \$10,000 per year, Dr. Bruininks reported. That may be right but tuition certainly cannot be raised to that level all at once. Professor Martin said the Board of Directors is right; the University now has several years of data demonstrating that it is one of the top research institutions in the country and has an improving undergraduate program; it can make the case that it needs the money to run a good institution.

Professor Gonzales commented that in the face of the last two years of significant tuition increases, students may not know to whom they should express their ire. What the University must be clear about it is that it is NOT the faculty or administration.

Professor Speaks said he was very encouraged by the work of the Budget Advisory Task Force, chaired by Executive Vice President Maziar. The University must ultimately wait to see what the legislature does but it must also do a lot of work before the legislature acts. There was an ad hoc budget committee last spring that considered a number of scenarios; starting this fall, the task force will recommend principles to be followed to manage whatever budget the University ends up with. This is the most careful approach to the budget that he has seen.

Dr. Bruininks agreed and added that the process must be transparent and open. The University will still have difficulties if it receives a cut, but the "slash and burn" approach does not work. It is better to model reallocation of resources to the central administration and differential allocations back out to the units; that approach allows the administration to match and shape. Professor Speaks agreed about the failure of the "slash and burn" approach; he noted that some years ago several CLA departments were eliminated--but that they resurfaced later with no cost savings and a lot of bad feelings.

As the University thinks about its intellectual future, Dr. Bruininks observed, part of the challenge it faces is how it thinks about work and the organization of its programs. One can look at a curriculum or courses and conclude they make no sense. In some cases, there may be a nightmarish curriculum that the department says would be improved with the addition of five new faculty. That won't happen, Dr. Bruininks declared. In a number of departments there is also over-specialization in undergraduate education that cannot be sustained (what Professor Martin referred to as "boutique education"). This is a conversation for the Committee on Educational Policy, Dr. Bruininks said.

Professor Speaks commented that the electronic mid-term alerts and the electronic reports on student-athletes work extraordinarily well--they are simple to use and take almost no time. He said he

was very impressed with them, but added that the two systems are not aligned and need to be. He extended kudos to whomever set them up.

Dr. Bruininks turned next to the strategy for dealing with accountability and service delivery. He said he wanted the University to get ahead of the arguments that it is bloated and has poor service; it needs to be able to talk about enhanced productivity and service. He has asked Vice President Carrier to lead the effort; after a lot of give and take, including with this Committee, it has been agreed there will be four goals and four groups to pursue them. They are: "enhance the service quality in central or campus-based units that deliver high-volume transactions and services to students; further leverage the University's investment in enterprise-wide technology systems" (that is, cut time, paper, and dollars); "identify opportunities to bolster the University's internal economy; [and] ensure that non-academic service/support units that deliver a broad range of services in support of the University's mission operate with quality, efficiency, and appropriate levels of service for the constituent groups they serve."

The University saved \$250,000 as a result of adopting a uniform payroll system, Dr. Bruininks observed. Professor Martin said the University has to be in the position to be able to answer the question "what are you doing with the \$250,000?" Dr. Bruininks agreed that needed work; in a well-run system people should be able to reinvest savings to improve quality and productivity, but the University needs to have information on how the money is used. That question is a priority in the Budget Advisory Task Force and the information needs to be produced more systematically. It will not be possible to say that the University took the \$250,000 and put it into X, Professor Speaks observed. But it should be able to say where it is investing the money, Professor Martin responded. Dr. Bruininks said that the University imposed deep cuts in Sponsored Financial Reporting in the 1990s and is now putting money into the unit to keep up services and improve technology.

Professor Bebeau asked if the University can develop systems to save money and also take into account the work that is pushed down to departments and colleges? When the central administration saves money, departments often have added costs. She said she has seen this in her own department, where a number of tasks have been pushed down and the department must add more and more staff. The question "what is the impact?" must always be asked. Dr. Bruininks agreed; if the only result is to transfer tasks there is no gain in productivity.

Professor Bebeau said she also wondered about the impact on faculty time. She said she spends a lot of time downloading and printing things that used to come automatically to her. Dr. Bruininks said that if the focus is only on cutting costs and not on increased service and productivity there is no gain. In terms of the web, if there is a personalized approach and faculty have their own web page, the pages can be customized and faculty should NOT have a lot of extra work. But he agreed that faculty should not lose 10 hours per week because funds are cut in central administration. Several Committee members objected, however, that this is exactly what is happening.

Of those four goals and groups, the fourth ("ensure that non-academic service/support units that deliver a broad range of services in support of the University's mission operate with quality, efficiency, and appropriate levels of service for the constituent groups they serve") will be undertaken in concert with this Committee; Regents' Professor Tom Clayton will serve as co-chair of the group, with Vice President Carrier. These efforts must be focused, communicated to the public, and connected to the budget strategy, Dr. Bruininks said. They also need good ideas.

Professor Feeney said that he, Professor Martin, and Vice President Carrier agreed that there should be periodic progress reports from the groups. There are naysayers among the faculty and deans who believe nothing will happen, he warned; he said he hoped that would not be the case. Dr. Bruininks said it cannot be; the University must save money in ways that will not reduce productivity. For example, does it have more newsletters than it needs? Does it have too many budget officers? There are a lot of cultural practices that could be examined, practices that cost a lot of money but do not contribute to the teaching, research, and service missions. He said, however, that he did not want a top-down approach but the issues must be faced--or the University could face alternatives such as a salary freeze, no travel money, reduced TA budgets, and so on. Dr. Bruininks said that in conversations he has had with some in the private sector, those outside the University think it runs pretty lean in comparison.

Professor Ratliff-Crain observed that one cut already imposed has had an impact on productivity: the reduction in work-study funds. Dr. Bruininks agreed that that cut last year had a particularly large impact on Morris. The legislature has proposed emergency funding; he said he hoped that spring semester could be covered if the appropriation comes through.

Dr. Bruininks related that he has been asked his view, the University's view, on funding student financial aid. He said he believes it is a good idea and that it is not bad for students to have choices. He has also reminded people, however, that Minnesota already has the third or fourth most generous financial aid system in the country and that he will not support an increase of \$65 million in student aid until he knows what the legislature has in mind for the University's budget. There is a proposal to move \$200 million from the University and MNSCU into student financial aid, which he believes is bad public policy. He said he supports a strong financial aid program but this proposal reminded him of H. L. Mencken's quip that "for every complex problem there is a solution that is simple, neat, and wrong." This is a BIG state policy issue and he said he will soon have a set of talking points about it and about the University's budget request.

Professor Feeney thanked Dr. Bruininks for joining the meeting, and adjourned it at 3:00.

-- Gary Engstrand

University of Minnesota