

Minutes*

Faculty Consultative Committee
Monday, May 17, 2004
9:00 – 11:30
220 Skok Hall

- Present: Judith Martin (chair), Gary Balas, Jean Bauer, Charles Campbell, Carol Chomsky, Tom Clayton, Arthur Erdman, Dan Feeney, Emily Hoover, Scott Lanyon, Marvin Marshak, Fred Morrison, Carol Wells
- Absent: Susan Brorson, Gary Davis, John Fossum, Marc Jenkins, Jeff Ratliff-Crain, Martin Sampson
- Guests: President Robert Bruininks, Senior Vice President for Academic Affairs and Provost Christine Maziar, Interim Dean of the Graduate School Victor Bloomfield
- Other: John Ramsay (American Council on Education Fellow); H. Jeanne Taylor (Office of Academic Affairs)

[In these minutes: (1) the intellectual future of the University; (2) academic initiatives]

The Intellectual Future of the University

Professor Martin convened the meeting at 9:00 and welcomed everyone to one of the periodic discussions of the intellectual future of the University.

The discussion turned first to the budget and budget cuts. Professor Marshak drew to the President's attention information about a compact that has been reached between Governor Schwarzenegger and the University of California/California State University systems about stabilized funding in the future. Right now the University's funding is in free fall, he said, and something needs to stop it. Someone should think about the California compact as a model. The President agreed it is an interesting idea that should be considered.

Professor Martin turned to the subject of the intellectual future. She began by noting a Chronicle of Higher Education national survey about public confidence in higher education. For example, "nearly 93% of respondents agreed that higher-education institutions are one of the most valuable resources in the United States. And about 6 in 10 said that the four-year colleges in their states, both public and private, are of high quality." The President of the University of Iowa is quoted as saying that "if there is poor public understanding of what we do, it's our issue, it's our problem." The public does worry about access and paying the bill once a student is admitted. Many Americans believe it is more difficult to get into a 4-year institution now than it was 10 years ago. Overall, "Americans want access to higher education to be fair and democratic." The public also "sees the most important role for a college is preparing undergraduates for a career. Respondents placed a lower value on things that college presidents often

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emphasize the most, like research and economic development." With those ideas in mind, Professor Martin said, the Committee should once again talk about the land-grant mission.

She then shared some of the budget information the President had presented to the Regents at their meeting last week: In 1971 the University received about 8% of the state appropriation; now the amount is less than 4%. In terms of the percentage of tax funds to the University as a percentage of personal income, in the 1980s Minnesota was below the national average, then it rose above it, and now is about to go back to below average. People value what the University does, they see problems in access and cost--and "the world [that is, the state] is taking the institution's money away."

Public opinion about the University reflects different values, Dean Bloomfield commented. In polls in the state, Minnesotans value the University for educating professionals, for research, for high-quality undergraduate education, and for graduate education, in that order. These findings put the University in a better starting place than others may be. The problem with the Chronicle poll was that it was about higher education in general, not research universities. In the whole of higher education, research universities and the students who study at them are not dominant.

The President has talked about the land-grant mission at a number of meetings, Professor Martin said. The intellectual future question is this: If state financial support for the University is eroding, and is likely to continue to erode, and the University cannot stop it, what will the University not do or stop pursuing? What does the President understand land-grant to mean now, Professor Morrison asked?

It has a broader meaning today than the one in the University's original charter, the President said. He said it means the connection of education and research to the needs of the citizens of the state and to society more broadly. For example, he noted the partnership between the University and the Science Museum of Minnesota: that is part of the land-grant mission, connecting the University's research (on NSF grants) to the needs of citizens. The land-grant responsibilities are not distinct from normal research and education responsibilities, he said, but they may need to be reframed. For example, the University's budget cuts were shared by the Minnesota Extension Service and the Agricultural Experiment Stations. It is important, however, for the University to be connected to the needs of society in ways that make sense. The University still receives nearly \$1.2 billion per biennium from the state, and those funds include some mandates that must be carried out (e.g., agricultural research). Harvard and MIT, however, talk about the same kinds of things as do the land-grant institutions.

Is the University's list of responsibilities different that that of, say, Harvard or Arizona, Professor Erdman asked? The University must carry out the activities in the charter, President Bruininks said--the Experiment Stations, the Extension Service, the historical obligations it carries. That gives the institution extraordinary responsibilities, but does not mean they should be invested in as separate areas, disconnected from research and education. Some people get land-grant confused with the Hatch-Lever Act, which provides the University with its agricultural extension service, Dr. Maziar said. Most public universities share land-grant obligations, whether formally land-grant or not. Legislators, the public, and sometimes universities themselves do not recognize the differences in size and disciplinary mixes in public versus private universities. The private institutions can choose a different disciplinary mix, she said.

Harvard is an interesting example, Dean Bloomfield said, of a private university that makes a lot of effort to connect with public issues, through its schools of public affairs, of public health, its medical

school. Harvard is not shy about saying that what it does is important to the public. The President said that is a key point; the University must reframe what it does. "We tend to define ourselves too narrowly and do not think about extensions into public affairs and the needs of the community," he said. Those activities cannot be funded separately in this budget climate and must be part of the University's regular activities. The University must define what it means more strategically and invest its money more strategically as well. He said he did NOT see the University making a decision on the question about whether or not it would continue serving public purposes.

Professor Erdman recalled that President Yudof had selected five areas of emphasis and said that if one looks at unique things in Minnesota, they would be the health care and medical device industries, nursing, and since it has been said that the next "war" will be over water, environmental concerns could be another emphasis area in this state. Should the University pick out unique things and focus on them, he asked? Professor Martin suggested that rather than being "unique," the University has some comparative advantages. Professor Marshak said that the people of Minnesota view the University first of all as a place that provides professional education. That means that if the University tries to cut anything, it "will be clobbered." One cannot cut a college. It is possible to imagine that one could cut much of CLA without significant outside objection, Professor Martin suggested. Professor Marshak said that would not be cost-effective, since the University is nearing the point at which CLA students pay the full marginal cost of their education. He repeated that it will be hard to cut anything. The University is thus getting set up for a general decline, given the budget cuts. He noted Professor Erdman's point that President Yudof picked five areas to emphasize; he said he was not sure they worked and it would nice to see an assessment (several Committee members said that the initiatives did work). What the University needs, Professor Marshak said, is a campaign not for comparative advantage but for excellence, which would tie into faculty salaries--and it is the relative ranking of faculty salaries that will hurt the University the most. There is a need to create excellence across the University, perhaps through the use of endowed "stools" (rather than trying to create more fully-endowed chairs), funds that would provide perhaps \$5,000 to \$10,000 and a named position to faculty members. These funds should not be counted as part of the raise pool. The fund for excellence would go into faculty compensation. If there is one thing to do for the future of the University, he concluded, it would be to emphasize excellence.

President Bruininks noted that the University has used McKnight funds to establish chairs and has set up a protocol to recognize extra merit when faculty members are promoted from assistant to associate professors. Some faculty are selected (for their accomplishments) to receive a call from the dean that they have been designated for a special fellowship award. That is one strategy of many and the University needs to leverage every opportunity it has in this regard. In private universities, Professor Marshak commented, almost every professor who has been around an institution for any length of time has a named chair. The University is missing out on this opportunity.

Professor Feeney asked if it is necessary to step back and ask whether the University is trying to sell something that is not saleable in St. Paul. Do the people at the University not have the same view of the institution as legislators? The Committee has heard the role of the University is to provide career opportunities for students. Is the University trying to pitch something it cannot sell? The University is competing with the private colleges and MNSCU, it is not seen as unique; is this a hopeless effort? Is the University playing the wrong tune? If it wants state dollars, he said, it will have to dance to their tune. Professor Morrison said that the University is a "big blob" in the state budget structure. Legislators think there is a certain amount of inefficiency in the blob and if they squeeze it, they will get rid of the inefficiencies. Thus far, they have been successful, and they will keep doing it if the University does not

do something. The Legislature wants the University to keep functioning at the lowest possible cost. For them it is undergraduate education; the University must sell the value of research. They like the Medical School, which puts the doctor in their hometown. They don't care about the Law School and CLA is seen as the equivalent of one of the state universities. Some understand research but others believe it should pay for itself.

If one looks at the trend lines, the President said, when the state hits a recession and when health care and K-12 costs increase, the legislators try to figure out who can make up their costs. They are triaging--and the University is about fifth in line. One problem the state has is the decades-old decision to build a campus within 35 miles of everyone; that has led to the creation of small campuses that often may have twice the per-student costs of CLA.

The President urged the Committee to put together a reasoned statement of faculty views for the Citizens League panel that is considering Minnesota higher education. Professor Morrison agreed that the Citizens League report will be terribly important and that the Governor will likely take it seriously. The Committee should also submit a statement to the Itasca Group, the President added. Professors Marshak and Morrison agreed to draft a statement for the Committee by mid-June. Dean Bloomfield suggested that they speak with the Twin Cities Deans Council, which has established subcommittees on several subjects; there may be useful material for the statement in the work of those subcommittees.

Professor Lanyon asked what percentage of legislators were University of Minnesota graduates. The President said the percentage has declined. Other institutions may resent the approach of the Big University to the world, Professor Lanyon commented. There are two problems, Professor Morrison said; there are more representatives from the private colleges and a number from the University who graduated at a time the University was not very hospitable to undergraduates. Does the University receive a positive reception in St. Paul, Professor Marshak asked? It does, the President said; legislators respect the value of the University. And higher education is not a litmus test for voters, Dr. Maziar said; with the legislature so closely divided, they do not have the room to think long-term. Nor do they agree on how to spend money, the President added. He said he has been told by a number of parents that they would rather the University raised their taxes (tuition) than the state.

Something needs to be done to break the logjam on higher education, Professor Marshak said. Committee members discussed several options. The President said that the current path is, in the long term, destructive for the Twin Cities campus. There is great risk of mission creep. But Minnesota cannot develop coherent higher education policy as higher education is currently structured, and the state will be the loser if it does not take steps to address the situation.

The President repeated a point he had made at earlier meetings: He said he does not believe the University can be as successful as other public research universities in moving toward private status. It does not have the population base, for one thing. Scale also makes it more difficult, Dr. Maziar said; it is easier to do with 30,000 students than with 50,000.

Professor Feeney said that the University focuses on mission differentiation, which it understands; others may not. Another question is whether there is a difference in undergraduates. One does not want to be elitist, but one can ask how many University undergraduates go for graduate degrees or become CEOs. Is there anything that can be said about why one would want a degree from the University of Minnesota? Professor Martin identified UROP grants, where students work in a research

setting with a University faculty member as one big difference. Those numbers have gone up. And it could be increased by another 50% if the funds were available, Dean Bloomfield said. He said that if one asks students what advantage there is to the University compared to small private institutions, they uniformly say that there are a lot more opportunities at the University.

The statement to the Citizens League should make the case for the research university in Minnesota, the President suggested. Should that be the central theme, Professor Feeney asked? Or that the education is different? That it includes research experience? He cautioned that the statement should not be too broad. Dr. Maziar said she believes the League understands the value of the University to the state, the research funding it brings in, and so on. What some may not understand is that this is not a healthy research university if it does not have a healthy undergraduate program--a research university cannot make it only on graduate and professional programs. Any statement should talk about the need for a strong undergraduate program and the support it lends to the vitality of graduate programs. If such a statement is not made, one could worry that there would be a recommendation to downsize undergraduate education at the University--cut CLA and send students to community college for their first two years. Such a plan would suggest a lack of understanding of the financial issues, Dr. Maziar said. There is also a difference in the educational quality when students come to the University from the beginning, Professor Martin added. From a purely economic standpoint, the argument can be made that students should do their first two years at community colleges, Professor Feeney said--but he noted that his son's education (in engineering) would have been quite different had he not been on the Twin Cities campus for his lower division education. Dr. Maziar said that the point must be not about checking boxes, course by course, to get a degree, but integration of the whole four-year experience. Faculty must, therefore, be engaged in the design of the four-year programs.

People forget the uniqueness of Minnesota, Professor Marshak said. It can be overstated, but not in this case. People in this state expect a high quality of life, higher than many in other states expect. Minnesota is fly-over land, it is cold, at the end of the road, and preserving a high quality of life is important. The state succeeded in having a high quality of life in part because it built up the University. One hears that South Dakota and Mississippi have lower taxes--why does Minnesota want to regress to the mean? The University needs to push the idea that regression to the mean is not desirable public policy for the state.

Has anyone looked at where the University will be in 10 years, what faculty it will need, what it will pay, what the benefits will be, what buildings it will need, what funding from the state must be, and how to get there, Professor Balas asked? The University needs to know where it is going and what the costs will be in order to make arguments to the legislature and state. Each department is now getting strangled, Professor Hoover said; the internal taxes are overwhelming, leading to contractions. But the contractions are not strategic--they use the money from a retiring faculty member to pay the IRS taxes. She said she understood why the taxes are necessary, but strategic decisions about contraction would be better. They would rather know where they will be in five years, she agreed with Dr. Maziar. Professor Balas said he liked the California compact; could that tool also be used with the colleges? It is important that faculty know where the University is going and why it cannot fund the increases in health care costs, for example.

The President said the University will undertake a major strategic planning initiative, but it simply cannot take 15% cuts and plan substantial strategic investments. The University absorbed \$300 million in cuts in two years, and the options are not attractive; it could have raised tuition by 60%, or cut

2500 employees. For the long term, however, the University must make choices, something it has not been adept at doing. He agreed that the University can set priorities and consider what it will take to achieve them--and what the consequences will be if the funding is insufficient. The University cannot compromise on its fundamental values, he said, and it must be clear what happens if the financial assumptions do not hold.

Professor Morrison offered a caveat on the California compact model. The present comparable numbers in Minnesota would not be good for the University because it is starting in the hole. A similar compact would produce insufficient funding. Dr. Maziar pointed out that every 1% increase in compensation requires \$10 million. There is also a lot more tuition elasticity in California than in Minnesota, the President observed. But it is the CONCEPT that might be useful--how to position the University.

Professor Balas said he was more concerned about the internal discussions when he suggests a five-year plan. Faculty do not know the costs of maintaining the University at this level, with research costs, faculty salaries, etc. It is important they understand the costs and why University decisions are made. Faculty must be on board and understand the consequences of not receiving the subsidy the institution needs. The President agreed and said the faculty are part of the solution--the number of buildings built versus how to use space that already exists, funding put into human capital rather than physical capital, the organization of the curriculum, and so on. Some solutions may have to come from inside. Dr. Maziar pointed out that the Twin Cities campus has one of the poorest classroom utilization rates in the Big Ten. The numbers need to be on the table, Professor Balas said, so that if faculty want salary increases, for example, they will know the cost. The University does not have a financial system that permits good cost accounting, Dr. Maziar observed; that is necessary, Professor Balas responded. And the faculty must own the decisions.

Professor Hoover said that she does not know who okays central services; who decided which services should be offered and to whom? For faculty who are not in governance, they see the IRS and Enterprise taxes tacked on to their projects and do not understand the priorities and what the money is used for. She said she agreed with Professor Balas that it is important to talk internally in order to gain the trust of the faculty; when everyone is being strangled, it is hard to build community. It is important that the governance system think about this. Most faculty are trained to operate as independent contractors, Professor Martin commented, and have little loyalty to the institution. There is a need to get some sense of reciprocity on the part of faculty. The collective responsibility is very important, Dr. Maziar added; strong departments have faculty who work together collectively.

The President said he did not disagree but did not believe it would be an easy discussion. It will tough, he said, for example, to talk about space utilization--which, if done effectively, could save the need for construction of one or two buildings (with the attendant debt service and maintenance costs that run into millions of dollars per year).

At the heart of the problem is a big disconnect, Professor Lanyon maintained. The faculty see big cuts to the University that falls on their backs and their departments; the administration believes it handled a large part of the cuts centrally, and the legislature believes that nothing happened and will believe it can continue to make cuts while also retaining high quality. The President said he did not believe the legislature thought that way, but also said that there will be no serious attempt to deal with problems at the state level without more revenue and a better state revenue structure.

There is an internal problem about how things are decided, Professor Marshak said. The academic self-assessment system has fallen apart because the process was so lengthy and onerous that no one wants to do it. There must be some way to do it. The President disagreed; he said there is a lot of assessment that goes on. The University needs to fix its internal budget model and must think about a better way to leverage its assets. The University has to manage what it has well so it can defend its interests.

There is assessment, Professor Chomsky agreed, but it seems like bureaucratic and cost assessment rather than an integrated approach. There needs to be faculty understanding of why assessment is occurring, not just that there will be cuts. The cuts need to be part of the larger budget picture and part of an overall understanding of academic priorities. Dr. Maziar said this was a good point and pointed out that when she was Dean of the Graduate School, Associate Dean Schiappa redesigned the graduate program assessment process to make it less cumbersome.

Is there any assessment about whether certain colleges should exist, Professor Hoover asked? Dr. Maziar said the Provost's Budget Advisory Committee looked at entity size and efficiency and the jury is still out; the committee had difficulty getting data as well as getting data it was confident about. It is not only size that matters, Dr. Bruininks commented. Dr. Maziar agreed but said that sometimes identity is tied up in things in ways that it should not be. Professor Marshak noted that there are two different questions: Should the University teach X, and should the University have a College of X--and if so, should it have the assistant and associate deans that go with a college. It is not just administrative overhead, Dean Bloomfield said. When there are many divisions, there are inefficiencies in teaching, advising, and curriculum; parts of the University could work more efficiently with more coordination. Dr. Maziar said she appreciated the point about efficiencies in the curriculum but that faculty are too often hired on the basis of a research agenda and the curriculum is sometimes built around the faculty.

Professor Martin thanked President Bruininks and Senior Vice President Maziar for joining the discussion.

Academic Initiatives

Professor Campbell said that he would like the faculty to take ownership of bottom-up planning, but there are a lot of central academic initiatives that have been announced for which the University may not have the appropriate faculty expertise. He said he would like to see such initiatives discouraged. He said he recalled Retrenchment and Reallocation in the 1970s, except that there was seldom the second "R," and he was afraid the University would get into the same position again. He noted concern about President Yudof's five initiatives, but there are things happening in the areas of those initiatives, Professor Martin and others pointed out again. Professor Lanyon said that making them initiatives meant things went farther and faster than they would otherwise. As all-University efforts, Dean Bloomfield said, they received University planning and coordination.

Now there are eight more initiatives, Professor Hoover noted. Professor Campbell urged that the Senate Research Committee look at them and determine how they were arrived at. Dean Bloomfield reported that there are leadership teams for each of them. Professor Balas said that when the President presented the initiatives in his State of the University address, he said they would not go forward without additional funding from the legislature. The University did not receive the funding; how are they going

forward? Some of the funds were obtained by taxing existing units, Professor Campbell said. Professor Marshak said there is a disconnect between the initiatives and grassroots faculty. Professor Wells said she did not know where they came from, Professor Marshak asked, and Dean Bloomfield said he could not speak for the President, but that a number of them had been discussed over the past several years and drew on areas of faculty research strength. He observed that \$9 million was freed up for the compact and initiative process.

What role is there for faculty governance in identifying initiatives, Professor Marshak asked? The consensus was there was none. Do the steering groups have any faculty, he asked? They do, Dean Bloomfield said, about 15 on the one he leads (Biocatalysis). Why not consult with the Senate Research Committee on what initiatives to choose, Professor Marshak asked? Dean Bloomfield said he did not know; he did not choose them. But why would it be less parochial than other committees, he asked? It is the sunshine committee, Professor Campbell responded. Does the University need a futures committee, Professor Marshak inquired? If it is important to model the future of the University, why not have a futures committee?

Who picked the faculty who are involved with the initiatives, Professor Morrison asked? The President, the Senior Vice President for Academic Affairs, and the Senior Vice President for the Health Sciences, Dean Bloomfield said. This set of initiatives is an outgrowth of the Yudof initiatives, and is taking a bold step. The last time the emphasis was on shoring up the fundamentals; this time the emphasis is on translation. The breadth of the list characterizes the University; a finger in every pot is not all bad. This University has programs that other universities do not and this round of initiatives draws on that breadth. Why not identify units and solicit proposal from faculty, rather than pick faculty, one Committee member asked? Or go through the deans, Professor Erdman suggested.

Professor Chomsky noted that this is the second time this subject has come up, and the Committee talks to itself; why not have a conversation with the President, she asked? There is a question of substance as well as of process; the Committee needs to ask why the choices were made. Professor Wells agreed. This is a university that is to be guided by the faculty, but these initiatives were top-down. Researchers have not heard of them. There should be a structure to identify initiatives; she said there could be enormous efforts in pharmacology and in intestinal diseases--if they could percolate through the faculty, there would be excitement and enthusiasm for them. Instead, the initiatives are announced and then the University retrofits itself and hires experts to carry them out, thinning the base. That may not be what happens, Professor Campbell said, but it is the IMPRESSION of what happens, and faculty do not believe they are a part of the process.

Dean Bloomfield said he was sympathetic to the comments, as a former FCC chair, but said there is a virtue to having a central view because this is a very divided institution (e.g., with 26 colleges). Any faculty member could think of something he or she would love to do but that person would not necessarily have the broad view and there is not a structure to identify initiatives. Professors Marshak and Wells hastened to disagree. In any event, the process does involve faculty and picks up on strong efforts already underway, Dean Bloomfield said.

There is a need to publicize the initiatives, Professor Marshak said, so faculty know if they want to join them. The President says he wants translation; that is fine. Let the faculty propose initiatives and then the administration can package them. There were proposals and faculty have been involved in

selecting them, Professor Martin said. So were the deans, Professor Bauer added. They should now at least publicize the names of the coordinating groups, Professor Marshak said.

It is difficult for the institution, Professor Martin said. It is so big that no one knows how to find out what is going on. This Committee, which is supposed to know about things, has no clue how the initiatives were selected.

Professor Feeney said that the Academic Health Center engaged in a big planning exercise several years ago and identified the problem that as new initiatives are no longer new and are expected to support themselves, this puts a further drain on the available funds for all those currently in the pool. Basically, under-funded new initiatives strangle the base. He asked how many initiatives the University can afford without retrenchment and reallocation. What is the legislative view of the initiatives? He said he believed the University should take itself private so it was not dependent on the views in St. Paul. Will these initiatives gain traction for the University at the legislature? How will this play when the university says it cannot operate programs? Dean Bloomfield said the initiatives do not take funds from existing programs but are building efforts and infrastructure across programs. He said the names of some of them may seem odd but when one looks inside them, they make a lot of sense.

It was agreed that the Senate Research Committee should hear about the initiatives.

It was also agreed that the Senate Research Committee should take up the matter of requiring IRB approval for use of public databases and send a resolution to the Faculty Senate.

Professor Martin adjourned the meeting at 11:30.

-- Gary Engstrand

University of Minnesota