

Minutes*

**Faculty Consultative Committee
May 4, 1989**

Present: Mark Brenner (chair), W. Andrew Collins, Warren Ibele, Norman Kerr, Lynnette Mullins, Burton Shapiro, W. Phillips Shively, Michael Steffes, Charlotte Striebel, James VanAlstine

Guests: Robert Bruininks, (Chair, Senate Research Committee), Senior Vice President Shirley Clark, Gayle Grika (Footnote), Maureen Smith (Brief)

1. Open Discussion

Committee members discussed briefly the issues they wished to bring up with the President.

Professor Brenner noted that there will be an eleventh faculty member of SCC and FCC next year, Professor Walter Weyhmann, who will serve in an ex-officio non-voting capacity; the Senate committee reorganization provides that the chair of the Senate Finance Committee sits with SCC and FCC and Professor Weyhmann has been selected as that chair.

Professor Brenner also asked that Committee members reserve June 8 for lunch with the Board of Regents.

2. Discussion with President Hasselmo

Determination of Salary Funds for Equity Professor Brenner welcomed the President to the meeting and iterated the questions the Committee wished to raise with him. The first question arose as a result of the President's comments to the Senate concerning the manner in which the funds for the equity salary adjustments would be derived: Will the funds come off the top of the salary base or off the top of the total legislative appropriation? The President said they will come off the top of the entire appropriation--but inasmuch as salaries make up 85% of the total, it will not make a great deal of difference.

All-University Tenure Review Committees Professor Striebel reported that she had been involved in conversations with four faculty members who had been through the tenure-review process which relied on the all-University committees. (Which exists for those units where there is no sequence of department and then college review, such as Nursing, the Law School, the HHH Institute, etc.; there are two such committees, one for the Health Sciences and one for all other units). The faculty members she had spoken with told her they had never been notified formally of the committee recommendations, which they are supposed to be; they only found out through the grapevine. Other problems with these reviews are that the committees are unaware of the procedures which have been established for such reviews of probationary faculty (including a written recommendation to the Vice President for Academic Affairs containing the reasons for the recommendation if it is different from that of the unit). A copy of this recommendation is to be sent to the faculty member. Professor Striebel also commented that she had, through a series of telephone calls, tried to find out who in Academic Affairs was responsible for

* 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.

superintending these reviews and was unsuccessful.

President Hasselmo promised that he would speak with Vice President Clark about the matter; he also suggested that when such questions arise, they should be put directly to the Vice President. Committee members should not have to call all over an office to get an answer.

Search Committees Several Committee members raised with the President questions about the composition of the several vice presidential/vice provost search committees. In several instances the memberships differed radically from those suggested by FCC; in other instances there were serious reservations about various elements of the committees (e.g., that the search committee for the Vice Provost for the Arts, Sciences, and Engineering had only six faculty, out of a total membership of 15, from the units for which the Vice Provost will be responsible).

The President responded that the starting point for each search committee had been the names provided by FCC. In a number of cases, however, they had difficulty getting people to serve on the committees so had to turn to others; this problem had a significant impact on the membership. He assured the Committee, however, that he viewed these as very important searches and that if there were any questions about whether or not they obtained the best pool of candidates, or about the criteria for the positions, he would intervene. He said he intended to ride herd on the search committees and has every intention that the searches will not be concluded until every stone has been turned to find the best possible candidates. He also noted that he tried to compose representative search committees; he commented wryly that he had received a lot of nominations suggestions for the committees and had said no to most but some were well taken.

The Committee endorsed the President's commitment to superintend the searches closely, although it asked that if such committee memberships are drastically altered from what is recommended by FCC that the President consult with the Committee on the changes.

Tuition The President was told of a concern about the rate of tuition increases and asked where Indirect Cost Recovery funds counted in the calculation of the one-third of the cost of instruction which the State expected to be paid by students. In the ensuing discussion several points were made:

- ICR funds would be counted as instructional costs if they were spent on instruction (although they are typically not so spent);
- It would be a mistake to put ICR funds into instruction;
- Instructional costs do not include the entire salary of a faculty member even if he or she is paid solely from 0100 funds; MPIS apportions salaries to reflect time devoted to instruction; and
- MPIS calculates what is spent on instruction, although there are problems of definitions on the margins.

On the last point, President Hasselmo explained that he has told the legislature of items which the University does not believe should be counted in the cost of instruction; of the four or five items, the University has been successful in having two of them removed from the cost of instruction, which then

lowers the base upon which the one-third from tuition is calculated.

The President went on to report that tuition will be a major issue over the next few months until a satisfactory resolution is found. He has reviewed what will eventually be a White Paper on tuition; he wishes to present an agenda to the Board of Regents on what must be done. He also noted that there will be a need for a careful strategy for the next biennium to deal with the legislature on tuition and financial aid; there are a number of technical issues which must be addressed as the problem is resolved.

President Hasselmo said he would be back to discuss the issue with the Consultative Committee. He pointed out that there are, at present, several irreconcilable imperatives involved in setting tuition:

1. High quality instruction
2. Control of enrollment
3. Keep tuition reasonably low

Finding the optimum solution will be the objective. Also to be examined is how, internally, tuition is charged; the President said he is not sure the University is now doing so fairly.

Committee members concluded the discussion by remarking on a 200% variation in tuition paid by students in one course, on the number of students who work (and are thus purportedly delayed in their graduation) as against the number of students who spend their Spring breaks in Acapulco, and the lack of data on whether or not students who work must delay graduation.

Enrollment decrease The President was asked about a quote in the newspaper by Vice President Heydinger suggesting that the University should reconsider the decision to reduce enrollment; most Committee members found it discouraging that a change of position would even be considered.

The President replied that there has been much confusion on the issue; the University has no intention of going back on its approach. Two things are now being said:

First, the phrase "reduce enrollment" is too simplistic; the University is not doing so in every unit and the coordinate campuses were never a part of the plan to reduce enrollment. We are now saying the University is managing enrollment; the overall effect will probably be to reduce enrollment but the plans are being fine-tuned. The President said the University also wants to ensure access when it is compatible with quality.

Second, the University views with dismay the tendency in the political arena to continue to look at funding driven by formula. The legislature has, however, kept its part of the bargain thus far; it did restore funding to the University which would have been lost because of lower enrollment. The President said he would like to see statewide examination of enrollment and quality in all the systems. The University is on track with Commitment to Focus, he said, and will stick to its plans for enrollment unless it appears that it will be political suicide to do so.

Personnel Professor Brenner closed the meeting for discussion of a personnel matter with the President.

3. Proposed Principles for Indirect Cost Recovery Funds Distribution

As he has done before when appearing before FCC to talk about distribution of ICR funds, Professor Bruininks (chair of the Senate Research Committee) observed that the issue is one that has been around a considerable while. He gave the Committee a short history of the proposals that have been developed previously and the evolution of the one which has been presented now.

The Senate Research Committee, he said, spent a lot of time thinking about how this money should be spent in a way that would be good for the University; they concluded that what was lacking was a set of principles to guide the expenditures. They tracked previous decisions, most of which, he said, were basically good ones but they were disjointed and had no institutional perspective. The present set of principles were developed with a keen sense of the history of the commitments which had been made; they were drafted by an ad hoc committee with representation from the Academic Affairs Vice President's office.

Professor Bruininks said there are three categories into which the ten principles fall:

- A definition of fixed costs and targets for the amount of ICR funds which should be allocated to them.
- Concepts of how to invest the funds, with comment that long-standing expenditures should be reviewed and new commitments be considered--sunset provisions.
- How the money should be allocated after fixed costs are covered; the funds should be divided equally between the colleges and the central administration.

This set of principles, he noted, are not intended to repeal the original policy adopted by the Faculty Senate in 1986 (which called for the same 50/50 split, with the collegiate half being divided 1/3 to the college, 1/3 to the department, and 1/3 to the principal investigator).

Committee members deliberated at some length over whether or not there should be a specific amount of ICR funds identified in the principles which could be allocated to fixed costs (the principles provide for 30%). The points made were these:

- (Bruininks) ICR funds should be used for basic University-wide functions which support research but should not be used as a substitute for state funding for units which are having financial difficulties (as has been done with the libraries).
- The principles should provide that an "appropriate proportion" of the funds go to fixed costs without stipulating a percentage; given that some costs are unpredictable (such as hazardous waste removal), the amount should be negotiated between the administration and the Senate Finance Committee each year. The 30% figure is based on a historical pattern; for the present year they are running slightly under 30%.
- The central administration has the discretion to use its part of the money (remaining after fixed costs have been covered) to cover additional costs--although this would obviously then limit the amounts available for set-ups and matching.

- The allocation of money to the departments is intended to cover the overhead expenses of managing grants and contracts; if that activity can be centralized and administered through ORTTA, one can question if the departments should continue to receive the same proportion of the money.
- The amounts stipulated in the principles are intended only to be goals; the principles are not intended to be legislation.
- None of the provisions of these principles will conflict with federal policies or endanger any grants or contracts.

Professor Brenner pointed out that it would not be wise to adopt a set of principles which might ultimately have no support from the President or Vice President Donhowe (which had happened in 1986 with the Senate action). The President had asked, he recalled for the Committee, that FCC and the central administration each examine the principles and then see where there was agreement; to the extent there was disagreement, he and FCC could try to work out an acceptable compromise.

Professor Bruininks suggested, and the Committee concurred, that it might be premature to take the principles to the Senate this Spring. It was agreed that he would take the comments of the Committee back to the Research Committee and they would in turn redraft portions of the principles to conform to the discussion at this meeting. It was also agreed that the redraft would be acted on by FCC and then would be taken up with the central administration. After agreement has been reached the principles will be sent to the Senate for information.

Committee members also briefly discussed the seemingly disproportionate allocation of ICR funds among departments; Vice President Clark pointed out that if the University is to participate in "big science," it must accept the constraints and priorities imposed by the funding agencies--and those agencies, in large part, control the practices which presently prevail.

4. Election of New Chair

Professor Brenner reported that the "Lame Duck Committee" had met (Professors Brenner, Shapiro, and Shively) and nominate Professor Ibele to serve as SCC and FCC chair for 1989-90. Professor Ibele was elected by acclamation.

The Committee adjourned at 12:15.

Corrections to Previous Minutes

To the FCC Minutes of April 20, 1989: The Committee considered the names of several individuals for the task force on minority affairs and then concluded it was not proceeding in a very orderly or organized fashion and referred the matter to the nominations subcommittee.

-- Gary Engstrand