

Minutes*

Senate Committee on Finance and Planning October 13, 1992

Present: Irwin Rubenstein (chair), Carl Adams, William Gerberich, Karen Geronime, Virginia Gray, Thomas Hoffmann, Fred Morrison, Doris Rubenstein, Paul Sackett, Jason Schmidt, Mary Sue Simmons

Guests: James Bannister, Arnold Christianson (both Space Programming and Management), Senior Vice President Robert Erickson, Michaelleen Fox (Space Programming and Management), Lael Gatewood, Kenneth Janzen (Regents' Office), Jeanne Markell (IAFHE), Associate Vice President Richard Pfitzenreuter (Budget and Finance), Thomas Scott, Harvey Turner (Physical Planning)

1. Planning

Professor Rubenstein convened the meeting at 3:15 and welcomed Professors Jeanne Markell and Tom Scott to the meeting to discuss the planning process.

Professor Scott recalled that he had agreed, last summer, to help on a part-time basis with planning. The President is the "prime planner," he said, and has assigned chief responsibilities for planning to Senior Vice President Infante. Professor Markell reported that she is staff to Vice President Allen, who is chair of the Outreach Council. Professor Scott is overseeing the entire planning process, of which the Outreach Council is a part.

Planning began last summer, Professor Scott began, after the President said in the spring that it should start again. The President has emphasized that this is not a process that starts from scratch. President Hasselmo, ten years ago, was Vice President for Administration and Planning and in that role was deeply involved in planning; he sees planning as part of a continuing process that included Commitment to Focus and recent Retrenchment and Reallocation.

There are two parts to the process. First, to look back and to remain consistent with what has been discussed and decided in the past, but second, to recognize this is a time of critical change for higher education. There are enormous changes taking place, a fundamental reassessment and re-evaluation of what the future of higher education is likely to be. The President believes it important that the University know what it is doing in the midst of these changes.

Originally it was thought there would be a large and representative Planning Council; that structure has been abandoned in favor of a small advisory committee and small staff that works together regularly. The advisory committee consists of President Hasselmo, the two Senior Vice Presidents, Vice Presidents Anderson and Petersen, Associate Vice President Kvavik, David Berg, and Kathy O'Brien. Staff to the planning process, so far, consists of one-half of his time, Professor Scott reported, plus 1/3 of the time of

* 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. (These minutes may also be found on the web at <http://www1.umn.edu/usenate/scfp/scfpmins.html>)

Patricia Kovel-Jarboe, in Academic Affairs.

The first cut at strategic questions the University needs to consider came from the Cabinet retreat in early July; the questions, Professor Scott observed, are no mystery, and anyone who gave serious thought to the matter could have devised the list. Additional meetings during the summer led to the documents presented to the Board of Regents in September, which describes the themes and processes as well as a conceptual look at the fundamental issues and questions that the President and vice presidents want to focus on.

At this point there are several things occurring. First, the President believes strongly that the planning process should NOT consist of the central administration producing a document; he wants in place a process by which units continually think about their structure, their circumstances, and what they are and are not doing. This should be a continuous process, with periodic updates, that must become routine; this would be a year for those updates. As a consequence, most planning activities should be carried out by deans and chancellors working with their own units.

It is clear that some units have already done considerable strategic planning, and no one will ask them to stop; their activities need simply to be integrated with the institutional process. Other units will need to begin strategic planning.

One fundamental question is how to get faculty and staff to "buy in" and participate in the process, to take time to think where their unit is going and what should be done differently. In addition, the President would like to rely on constituents, through focus groups and surveys, from outside the University, in order to get them to think about the institution. Doing so would have the dual result of learning how outsiders think about the University as well as better informing them about the University. How this would be worked out is not yet clear; Professor Scott told the Committee he is talking to the deans about how such a process could best be used in their units.

Data packets, containing basic information essential to planning, are being prepared. Professor Scott said he has been struck, as a result of the data developed for some of the summer meetings, at how ignorant all of us are (e.g., in such matters as population changes, changing patterns of state support, comparisons of the way funds are generated and the way they are spent at Big Ten and other research universities, internal cost comparisons, and volumes of data on students).

There is, finally, also a long list of studies and reports at the University which cut across unit lines and which have implications for departments and colleges (e.g., enrollment management, international education, distance education, tuition policy, outreach, diversity, technology, workload, libraries). These need to be woven into the planning process in order to adequately inform the discussions.

The tough questions, thus far identified, are these; it is to be hoped the process itself will provide some resolutions:

- As mentioned earlier, how to get faculty and staff to participate in the process and to appreciate the problems and the nature of possible solutions.
- A series of questions having to do with centralization/decentralization and management.

- A series of questions on finances and financial stability (the President is creating a task force to examine such issues).
- Basic reorganization questions with respect to some units--and there is no doubt that some reorganization will take place.
- Questions about the roles of three of the campuses (Twin Cities, because the implications for the metropolitan area of the merger of the other systems are not clear; Rochester; and Crookston). There seem to be fewer questions about the campus roles of Duluth and Morris.
- Whether or not to change to semesters. The matter is still alive but will be settled soon one way or the other.

One Committee member inquired how the life of an average faculty member will be any better after planning has occurred. Professor Scott responded that it will be important for people in the units to examine major questions, such as (for example) who should be hired (the expertise to be sought), the curriculum and degree programs being offered (graduate and undergraduate), the size of the programs, the directions of research in their field, funding possibilities, relationships with other units, diversity, facilities, and the use of technology.

It was noted that Dr. Infante has argued that the costs of the University are driven by its faculty; given that, has anyone asked what the size of the University should be, with the funds available to it? The individual units cannot answer that question, but it must be addressed if quality is governed by the quality of the faculty and the support provided to them; quality is not determined by the quantity of faculty. Who will set these parameters?

Professor Scott agreed that the question needed to be considered, but is difficult to address because of the University's role in higher education in the State. The University HAS shrunk--as the President notes, the University has done it and the shrinking is done--and some units are now being told they can grow larger if they can charge the tuition necessary to cover costs.

The Committee should be provided the list of strategic and cross-cutting issues, it was said; Professor Scott agreed to do so. It would be useful for the Committee to talk about them, one Committee member urged, even if no "answers" are immediately produced. Units need to have some guidance on these issues before they draw up their plans, even if the ultimate answers to the questions are dependent on those plans. If this does not occur, when plans are brought forward, the units can be told the plans are "wrong."

Another problem in the past has been "management by ambush": units are told to plan, they do so, and then the administration tells them there will no money to fund the plans. There must be two-way communication in the process, not planning from the top. Professor Scott concurred, noting that much planning in the past has been pre-empted by the fiscal circumstances of the State and University. Further, it was said, units need to know what policies in a number of areas will be (e.g., tuition: does the unit that generates additional tuition keep the money, or will the administration take some of it for other uses? The answer will have a significant impact on unit planning).

Professor Markell then explained the background and function of the Outreach Council. The Council is made up of Vice President Allen, Deans Patrick Borich, Julia Davis, David Kidwell, and Hal Miller, Teresa Neal, Cherie Perlmutter, Tony Potami, and Tom Scott. There was consideration given to appointment of a vice president for outreach, and although the President decided not to make it, he did conclude that outreach questions needed attention, so he appointed the Council.

As it began work, it became clear to the Council that there was much it needed to learn, so the past six months have been devoted to acquiring information and starting strategic planning. There has been a sense that the University, in its outreach activities, has not been dealing with State problems; the Council believes that it may instead be a case of the University not getting much bang for its buck, and is looking at organizational, operational, and structural questions.

A mid-term report will be produced (copies of which will be provided to the Committee) informing the University and public where the Council is on definitions and taxonomy of outreach activities and the values of outreach vis-a-vis the land-grant mission and public expectations. One question that has arisen, Professor Markell commented, is where the accountability for outreach activities rests; there is no agreement on what the answer might be.

One Committee member expressed concern that the administration will develop a uniform system and will define what outreach is, trying to fit one model to a diverse institution. One of the advantages of the University is its great flexibility; units can work effectively in different ways. This effort appears to represent the imposition of the views of a non-representative group on the way units will be run--and such an effort would be unacceptable even if the group were more representative.

Professor Markell said the Council was well aware of the delicate line between providing leadership and an institutional vision and the need for individual unit nuances. But at present there is little leadership and no credit (and no reward) given to units for their activities. The Council wishes to provide a structure and parameters while leaving the units considerable flexibility in their choices.

It was agreed that Professor Markell would return to the Committee when the interim report was issued.

2. Revision of the Minnesota Facilities Model

Professor Rubenstein then turned to the draft revision of the Minnesota Facilities Model [hereinafter MFM]; he said the discussion at this meeting would be preliminary, with the more intensive study of the draft to be conducted by the Subcommittee on Physical Plant and Space Allocation. He asked Senior Vice President Erickson to comment on the draft.

The context of the draft revision, Mr. Erickson told the Committee, is the effort by the administration to make people aware of the costs of doing things--and one big cost is space. The University must have standards (does a unit have enough space? too much? the right kind? and so on), and underlying any standards are assumptions. This discussion of the draft, he said, is an attempt to bring the assumptions early on to the Committee.

Mr. Turner, Director of Physical Planning, then introduced the individuals from Space Programming and Management and explained that the MFM is not new; it has been in existence since

1982. With the reorganization of Physical Plant and Physical Planning, one question that arose was whether or not the MFM was still a useful tool, so an examination of it was begun. A number of sections have been changed as a result of the examination.

The MFM, Mr. Turner emphasized, is a TOOL that can be very effective in planning, but it does not establish absolutes; space accounting must be flexible, and the MFM provides guidelines. What the MFM can do well is identify gross discrepancies in space allocation. It is a NOT a design tool, he emphasized later; even in remodeling the Shops Building, because of the way their offices operate, the square footage called for in the MFM will not be met but the remodeling will be what they need.

There are a number of models similar to the MFM, and they have been considered. The University has consulted with the other Big Ten universities as well as the University of Washington, which is very similar to Minnesota in many respects--and is also several steps ahead of the University in dealing with space.

Following a review of the five sections of the MFM by Mr. Christianson, Mr. Turner was asked what computer system is used to track space; he said it is the AIS mainframe. They are about a year away, he added, from considering a new system that does a much better job of modeling space use and provides more valuable information.

Mr. Christianson was asked about the extent to which the MFM distinguishes between existing and ideal (new or remodeled) space; that is a problem, he responded, with any guidelines; most of them are established for new or substantially remodeled space. he acknowledged that it is difficult to use the MFM with existing space. One example, Mr. Bannister interjected, is Pillsbury Hall, which will be vacated when the current occupants obtain a new facility; Pillsbury will be on the campus for a long time, and a nice configuration of its spaces, in rough accord with MFM guidelines, will be difficult. The intent, Mr. Turner explained, is to get the best fit between the space for teaching or research with the money available. Flexibility will obviously be called for in the application of the model to older buildings. So, one Committee member concluded, the more restrictive the architecture of a building, the more subjective judgments that will be called for in the management of the space.

Another question was whether or not there would even be a need for faculty offices in ten years (as opposed to a department office). With computerization and varied work patterns, more work may be done at home--and something like double offices, demanding less space, would be workable. Not, it was added, that this would be desirable. Mr. Turner responded that the MFM prescribes the total amount of space for a program, not how it is used.

Mr. Turner was asked if the MFM should address such things as locating computer rooms over steam vents, study space next to heavy traffic areas, lounges by classrooms, etc; he said that is part of the design process for a building. Mr. Erickson added that many such problems can be addressed through master planning; if there is a plan, the University can move towards it over time. If not--and the University has not had such a plan--placing appropriate activities adjacent to one another is less likely to occur, leading to inefficiencies as well as inadequate service to students.

Physical Planning is not out on a limb by itself in terms of the MFM, Mr. Turner assured the Committee; Mr. Bannister noted also that no matter which of the various models one uses, the predicted allocation of space turns out to be pretty much the same. There are tried and true rules that work for

spaces for offices and classrooms; it is the allocation of research space that is more difficult.

Professor Gatewood commended the draft revision, compared to the earlier version, and noted that a number of recommendations for change made by an earlier committee have been incorporated in the redraft. There remain, she said, a number of concepts which require attention:

- Space for the use of computers; a number of units have found this space is needed IN ADDITION to normal scholarly work space for faculty. Moreover, departments need additional space for shared computer facilities in addition to normal administrative space needs.
- Research centers were not dealt with earlier, and have been now, but space for users needs to be considered, in addition to the space for faculty members.
- The definition of student must be reconsidered; the MFM assumes the full-time undergraduate model. With many part-time students, they are not treated fairly; they tend to appear en masse and depart en masse, and it is difficult to use the space they need but then vacate. Relatedly, there is also a need for space for interdisciplinary and non-tradition students.

Professor Gatewood urged the Subcommittee to seek enriched language in these areas in any revision that might be considered.

Another Committee member said the MFM is a rather blunt instrument; in CLA, for instance, all departments are treated the same in terms of space, but they have very different research and graduate student needs. Other rules adopted by the University also have an impact on departments' use of space. For example, it used to be customary, for those who taught large classes, to leave papers in the hallway on a chair; that has been determined to be a violation of privacy rights, so the papers must be kept in a place that is continually manned. Who is to pay for that time? And where is the space?

Changing technology also renders the use of space subject to modification. For example, a classroom that for 20 years seated 55 students does not do so any longer--because of the computer equipment that has been added to it. Space must occasionally be re-audited to ensure the numbers remain accurate.

Professor Rubenstein thanked Mr. Turner and Professor Gatewood and the representatives from Space Programming and Management for joining the meeting.

3. Resolution on CUFS

Professor Rubenstein next distributed a draft motion prepared by one of the members of the Committee with respect to the discussions held earlier about CUFS. Mr. Erickson said he supported the resolution and that it represented an example of talking about something important to the University, even if it is messy. He agreed that training on CUFS will be critical.

The motion, adopted unanimously, adopted read as follows:

RESOLVED, in light of the University's installation of the CUFS accounting system and the performance of that system, the Senate Committee on Finance and Planning:

1. RECOGNIZES the exceptional effort made by the small team of individuals who are responsible for initiating operations of the new system, and maintaining its viability, and the special effort of administrators and staff of all units to carry on during the transitional period;
2. AGREES with the decision of the Senior Vice President for Finance and Operations to reconsider some of the basic technical decisions regarding the implementation of the CUFS system;
3. STRONGLY URGES that reconsideration be undertaken on a broadly consultative basis including representatives of typical user groups at the departmental level, including both managers (deans and chairs) and technical personnel (department and collegiate administrators);
4. STRONGLY URGES the administration to make the necessary expenditures to make CUFS an effective tool for accounting and management, even in these times of constricted budgets. To this end we believe that there should be an adequate instructional program to convey the abilities and functioning of the system to deans, directors, department heads, and other faculty and staff members involved in the financial operations of the University, not just technical programs aimed at transaction administrators; and
5. REQUESTS the Senior Vice President for Finance and Operations to keep this committee informed of progress. We will return this item to our agenda later in the year.

4. Bylaw Amendment

The Committee unanimously approved a proposed bylaw amendment concerning the name, charge, and membership of the Subcommittee on Physical Plant and Space Allocation; the amendment will be forwarded to the Senate Consultative Committee for placement on the docket of the Senate meeting on November 17.

The Committee adjourned at 5:00.

-- Gary Engstrand