

Minutes *

Faculty Consultative Committee
Thursday, April 3, 1996
1:30 - 3:00
Room 140 Nolte Center

Present: Virginia Gray (chair), Carl Adams, Carole Bland, Victor Bloomfield, Sara Evans, Dan Feeney, Russell Hobbie, Michael Korth, Fred Morrison, Harvey Peterson, Michael Steffes, Craig Swan

Absent: W. Andrew Collins, Gary Davis, Laura Coffin Koch, Matthew Tirrell

Guests: President Nils Hasselmo

Others: Martha Kvanbeck (University Senate), Mary Shafer (University Relations)

[In these minutes: Miscellany; payroll and compensation; (With the President:) salaries and compensation, Kellogg Commission report on the student experience, non-tenure-track faculty, metropolitan education; more on payroll, on Finance and Planning issues]

1. Committee Business

Professor Gray convened the meeting at 1:30. She reported on, and the Committee discussed, several items of business:

- the gathering for Nils and Pat Hasselmo sponsored by FCC, and disposition of the gift money that had been donated;
- recent events at the legislature related to use of student evaluations of teaching, the testimony offered by, and roles played by, students; the need for the on-campus process, under SCEP, to deliver a report and recommendations on use of student evaluations; reactions of FCC to various proposals that have or might be made; and how the process works in the Carlson School;
- orientation for new regents, in which three members of the Committee (Professors Bland, Bloomfield, and Gray) plus the author of its minutes will participate, which will be about faculty governance and faculty roles and responsibilities, and whether or not it would be useful to have members of the Board of Regents join the Committee from time to time for a general discussion;
- educational policy issues to be discussed with President Yudof, including graduate education; and
- the possible central administrative structure under the new President, whether FCC could or should provide President Yudof with any comments, the extent to which consultation may be seen already

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to have taken place, even though the Committee may believe otherwise, how consultation in general will occur with the new President, and the need to discuss this subject with him.

2. Finance and Planning Issues

Professor Morrison reported on recent discussions at the Committee on Finance and Planning. First, biweekly payroll is to be implemented on September 1, 1997. Second, more positive, is that the payroll office has said payments over 12 months for those academic employees with 9-month [or other appointments less than a full year] will be begin on July 1, 1997, for anyone who elects the option. There will be a three-year loan program available for both groups.

Third, there was a description of the compensation distribution plan. 4% of the funds are being distributed to accommodate position relative to market and 2% is for other circumstances. Those two blocks have now been put together into one 6% block. Much of this money is being allocated to the provosts on the basis of AAU Data Exchange information, depending on where their colleges and departments lie with respect to other colleges and units. The provosts, however, are at liberty to redistribute the money within their provostries in any way they see fit.

There is not agreement about the disparities in salary increases provided to the different provostries. The Academic Health Center will receive the largest increases; Professional Studies the smallest. There are two issues: (1) how quickly will the University bring up units that are farthest behind, and (2) the extent to which the provosts may disregard the data and decide, for example, that a college is underpaid because it SHOULD be underpaid, because it is not high quality.

3. Discussion with President Hasselmo

At this point Professor Gray welcomed the President to the meeting, who indicated he had a few items to talk about.

The transition is proceeding; he and President-elect Yudof are in regular contact. There have been preliminary discussions about the budget; as it begins to firm up, he will take up any critical issues with Dr. Yudof. He--President Hasselmo--will present the budget to the Regents in June, but Dr. Yudof will present it for action in July. Clearly, he should have a budget he is comfortable with.

Critical issues include overall funding, the salary plan (which Dr. Yudof has endorsed), and the extent to which--data permitting--there can be differentiation in salary increases based on the market. They will use the best data they can, with appropriate data for each campus. The professional schools are arguing that the Top 30 CHANGE magazine universities are not appropriate for them. What is clear that market differentiation had to be made.

In terms of market comparisons, the administration is making the argument that the faculty is the MOST disadvantaged group; that justifies a different salary plan for faculty, compared to other groups within the University. This also, however, places an obligation on the University to look at market subsets; it is not a question of whether it should be done, but whether and to what extent it can be done at the level of the provosts and chancellors. It certainly must be done at the level of colleges, and deans could do so with departments as well.

Of the increases, 2% was set aside for quality and priority. A unit may be above the mean--the University has a number that are--and quite legitimately so, because it is one of the best departments in the country. They clearly SHOULD be above average. The 2% is intended to provide leeway for those kinds of circumstances. One compromise might be to decrease the market pool from 4% to 3% and to increase the quality and priority funds from 2% to 3%. Dr. Yudof understands the general direction of the use of the market principle, and appears to be satisfied with it.

The University is committed to the 8.5% for faculty salaries, no matter what the legislature does. The President and Committee members discussed the various maneuverings occurring at the legislature. He asked that Committee members contact their legislators about the University's request.

On tenure, there has been another meeting of the Committee of 8 (carrying the Faculty Senate tenure code revisions to the administration and Regents); there was a frank, open, and constructive discussion. They are trying to deal with the issues, and expect to do so. President Hasselmo reported that he has been invited to Harvard to participate in a seminar for new presidents; he has been invited by Professor Richard Chait. The Committee was enormously amused.

There are many other issues the University faces, such as the steam plant, the President concluded, but those are the immediate ones.

President-elect Yudof will have a clearer message about restructuring the administration by April 30, President Hasselmo said. He has discussed the topic, but no final decisions have been made. Dr. Yudof has been receiving a great deal of information on history and organizational models, and is wrestling with the issues. Dr. Yudof will arrive in the Twin Cities in early June and will then be more involved in the operation of the University; formal transfer of authority will take place June 30. As Dr. Yudof takes over day to day issues, he (President Hasselmo) "will fade out."

President Hasselmo reported that he had been in Washington, D.C., for the release of the student experience report of the Kellogg Commission, on which he is serving as part of an effort undertaken by the National Association of State Universities and Land Grant Colleges. The draft has been shared with SCEP (which will take up the report on April 9), and then will be dealt with by the Senate Consultative Committee. Review of the report will be an opportunity to assess what the University is doing in undergraduate education. What is important is less the agenda per se than the collective action it represents on the part of the two dozen institutions represented on the commission, and the 180 institutions in NASULGC. The report will be a discussion document distributed to all NASULGC members, with the hope that it will drive a national agenda.

There are a number of other reports the commission has begun to discuss. One is about the "engaged" university, a new term for the land-grant mission in contemporary society. Another is about the life-long society and how universities can serve life-long learning needs. Other topics will also be the subject of reports to the universities. They hope to engender lively discussion among the 180 institutions, and then a national discussion of the topics. Although originally skeptical that the commission would produce anything useful, the President said, he now believed the collective statements on the issues are helpful. He expressed hope that SCEP and SCC would discuss the document and generate internal discussion of University actions and plans, compared to what is contained in the report.

Professor Bloomfield inquired about what might also be the subject of much discussion among universities, the increasing number of non-tenure-track faculty. This is something FCC is concerned about, and has asked the Committee on Faculty Affairs to think seriously about it. What is the national pulse on the question, he asked? Are there any trends?

They have representatives from the business community as well as from the Kellogg Board, the President said; there has been hard pressure and questioning, including about tenure. The situation is one where the size of the tenure-track and tenured faculty will have to be determined, and then institutions will use people who may be faculty-like but who work on a contractual basis. The whole question of distribution is becoming so important.

Scientific, scholarly, and artistic work must be done in universities, but if Microsoft and a distributor have a healthy source of knowledge, universities must be connected to it. How will they position themselves vis-a-vis commercial distribution networks? How much can the universities do themselves, and how much by contract with such networks? There is a need for personnel to deal with that question who are different from traditional faculty; faculty are not likely to be marketing. There will be a variety of types of people on the rolls; stretching the tenured faculty role too far runs the danger of diluting the scholarly and scientific roles of the faculty. The President said he did not have an answer to the question, but it is likely to come up in the Kellogg Commission discussions.

The University needs to be prepared to take a stand on the issue, the President said. The traditional faculty role, the tenured faculty, are the heart of the University. But the only way to preserve it MAY be to have contractual staff who do other things that are faculty-like.

Professor Gray said the Committee hopes SCFA will go into the issue in some depth, because a faculty perspective is needed on what the right use and deployment of such positions are, what benefits and rights should they have, and so on. The heart-breaking stories in the CHRONICLE demonstrate how they are treated very badly in some places; the University does not want to be that kind of employer. But the issue is coming, and the implications from the faculty perspective category have not been thought through, she said.

One step the University took a few years ago was creation of the P&A class, the President recalled. Before that, librarians and personnel workers and others were tenured as faculty members, when there was no basis for tenuring them in the traditional, scholarly sense. That was a healthy separation, and protections appropriate to the P&A roles have been developed.

Professor Peterson alluded to the CHRONICLE articles as well; he said there is a polarization, both financially and in terms of other perquisites, between the tenured research faculty and the undergraduate teaching faculty. The latter are seen more and more as journeyman teachers--"have degree, will teach," it seems. The gist of the articles seems to be that as long they can be paid, they will teach; the administration has limited funds, however, so seeks twice the teachers for the same amount of money. Will the University go in that direction?

The pressure exists, the President replied, which is why the University must face the issue, and not just let things happen. The situation has occurred for years, however; anyone can recall instances where

people were mercilessly exploited by the University, strung along year after year in appointments. The issue should be dealt with head-on, so there is a clear contractual understanding.

One of the marvelous aspects of American higher education is the fact that scholarly faculty teach undergraduates, the President. That was a great revelation for him, because it is not true in Europe. The American practice is to be cherished, but it means the universities cannot have EVERYBODY be high-powered teachers and scholars at the undergraduate level; there needs to be appropriate structure. He faced the situation for years in the languages; beginning language teaching is not necessarily the best use of a full professor in literature. How to structure appropriate appointments for skillful language teachers is the issue. The University has been a little too reluctant to face up to this issue, but the time has come to do so.

The President said he also believed that when people talk about delivering the content for the educational networks, it will be the universities that produce the knowledge. They may also have people who can "package" it; the University is already doing a lot with video, CD ROM, etc., and will need a cadre of people who can do it well. They will need to be paid and classified appropriately and to have clear contractual arrangements.

Professor Bland said that no one would disagree that these roles are not faculty. What she is seeing, especially in the health sciences, is hiring people on P&A appointments into what are true faculty roles, because that practice increases flexibility. Or people who can make money are hired, such as clinicians. The situation becomes one where there are more of these people than faculty, and the difference in decision-making power of the faculty and P&A people makes things uncomfortable. The problem is not extension specialists; it is when the University tries to hire people into more flexible positions to do faculty work.

That is a very real issue, the President said. There is a need to retain flexibility, because of waxing and waning demand curves. There have been proposals about other ways to defend academic freedom; his view is that the University must retain the core, tenured faculty. But there will be costs in restructuring other areas of the University.

This also relates to the faculty culture, the President said. If the governance models are to be preserved, what should be the role of people who have other kinds of appointments? Will they be second-class citizens in terms of governance?

Professor Bloomfield then asked about the complex of things variously labelled polytechnic U, metropolitan area education, independent education, notebook U, the virtual university--a whole set of issues facing the University that have had some exploration in the legislature. They all seem to portend rather striking changes in the nature of how some business is done. There is a concern that the educational policy implications of those initiatives have not been well-discussed; there is also simply a lack of information about where they stand, what is likely to happen to them, and so on.

The President agreed there are a lot of ideas floating around. MnSCU has been asked by the legislature to return next January with a comprehensive plan of what will happen with Metro State and opportunities MnSCU provides in the Twin Cities. The University intersects with those activities; how? It has been his position, the President told the Committee, that this is the national university, and it will

safeguard its national role in undergraduate and graduate/professional education and as a research university, with the land-grant mission and transfer of knowledge as the central aspect of the outreach mission.

The question is, in order to safeguard that role, how much else must the University do? That was the reason for the discussion about University College, which must continue. The University will have to provide, perhaps in partnership with MnSCU or the private colleges, other kinds of access opportunities, if it is to be able to define its undergraduate experience the way it finally has been able to do. He has been gratified by what has happened, and would like to see the gains preserved, but the University will have to provide other opportunities, how does it do so, who does it, and how can the pitfalls that Professor Adams has identified be avoided? This cannot all be turned over to MnSCU; it would be very unwise for the University to give to MnSCU activities that the state perceives as very practical and important; doing so could jeopardize the core functions the University wishes to preserve.

The President then distributed a list of major issues the administration believes require consultation with the faculty; it can serve as the agenda for the transition and the focus for work in the next three months. He thanked the Committee for discussing these issues with him.

4. Other Business

The Committee returned to payroll matters. Professor Gray said it was wonderful that the option of the 12-month pay would help relieve the angst associated with the conversion to the biweekly payroll.

Professor Morrison confirmed that for people on a B appointment, they could begin receiving their salary in mid-July, whenever the first full pay period ended. The amount will be 1/26th of salary.

In response to a query, Professor Morrison clarified that there are two issues at hand. One is the biweekly payroll, which means one works the two weeks and then waits 10 days to get paid. The second is conversion from 9-month pay to 12-month pay, which will mean being paid 1/26th of total salary in mid-July, even though the first two weeks of work will be in late September. People will actually receive several advances on their pay, so will be ahead for part of the year and slightly behind later in the academic year, then will catch up and go ahead at the end of the year/beginning of the year. There are technical complications related to grant funds and summer appointments. In the case of the latter, for example, people will receive an extra-large paycheck during the summer, and will accordingly be taxed at a much higher rate on those checks (which is required by federal law; people may have to offset the increase by adjusting withholding for a short period).

What is amazing is that the Finance and Planning Committee requested this conversion option a year ago, and was told it was impossible or difficult or would require years of study. It appears that a 26-vote margin turned it into a problem that can be solved; faced with additional problems they had not thought of, they said they would deal with them and the option would start July 1.

Professor Hamilton noted that graduate students will be required to go on biweekly payroll on June 15; if they take a loan out for the summer appointment, they must repay it by the end of the summer (if appointed for the summer but not the whole year). He had inquired of Mr. O'Connor if they understood the burden this would impose on graduate students; he has received no response thus far. Professor

Morrison agreed that this should be followed up. Professor Hamilton noted, in response to a question about loans to graduate students, that it is IMPERATIVE they be put on the biweekly payroll in order to encumber salaries and fringe benefits for grants, because of weaknesses in CUFS.

Professor Morrison then noted two other resolutions adopted by the Finance and Planning Committee, one related to grants management information access (if data are public, they will be not be locked away and will be available to people generally who have access to computer data), and one related to the food service (the Committee has doubts about privatizing the food service, and asked that certain issues and processes be addressed before final decisions are made). The food service change could be a positive move, in that it may put new life and new management into food services; it may not be positive in that the incentives will be purely economic, rather than community service. Some believe the purpose of supporting operations is to help build community and provide places for interaction; a private vendor, in the business purely for profit, is not interested in these considerations unless it generates more money.

He reported that the Finance and Planning Committee has a very large agenda coming up, including closer examination of each of the new administrative computing systems, the capital budget, impact of the biennial allocation and the budget, and other items.

Professor Hamilton commented on the system changes being made. He said he was uneasy that the stewards of the current systems are the leaders of change. That is not consistent with success, but it happens time and time again. Do they have the objectivity that will allow them to say a process is bad, and get rid of it? There is no evidence that they will.

Professor Gray then adjourned the meeting at 2:50.

-- Gary Engstrand