

Minutes*

**Faculty Consultative Committee
Thursday, May 22, 1997 (Part II)
1:30 - 4:30
Room 300 Morrill Hall**

Present: Virginia Gray (chair), Carole Bland, Victor Bloomfield, W. Andrew Collins, Gary Davis, Mary Dempsey, Sara Evans, Gary Gardner, David Hamilton, Russell Hobbie, Laura Coffin Koch, Michael Korth, Fred Morrison, Harvey Peterson, Matthew Tirrell

Absent: Carl Adams, Dan Feeney, Michael Steffes, Craig Swan

Guests: Senior Vice President Marvin Marshak

Others: Martha Kvanbeck (University Senate), Maureen Smith (University Relations)

[In these minutes: The University's 1997-98 budget; future of the provostal faculty consultative committees; election of new FCC officers]

4. University Budget

Professor Morrison now began to report on the budget discussion held at the Finance and Planning Committee meeting earlier in the week, and distributed handouts containing data. There are two things to talk about, he said, to give the Committee advance notice that Finance and Planning will be bringing difficult decisions next year.

Professor Morrison reviewed some of the data. The legislature was quite generous; provided \$151 million in new money for the biennium, \$107 million in recurring money and \$44 million in non-recurring money.

The 1997-98 operating budget, exclusive of tuition, will be \$506.3 million. On the expenditure side, the existing base (1997-98) totals \$473.8 million; an additional \$32.5 million in commitments are being made, about which the President is deciding on. Many of these commitments have been promised, and include tuition arrangements with the colleges, technology, and so on. Some of that \$32 million may be flexible, but not much of it. The compensation is included in the 1997-98 budget, as is the additional cost for buildings, and so on.

The recurring (or hard) appropriation is tending down, over the biennium. The expected revenues for 1998-99 are \$502.2 million (compared to \$506.3 million in 1997-98); expenses, however, are tending up, because expenses such as compensation and buildings will go up. The difference between projected revenues and projected expenses in 1998-99 is about \$20.5 million (of which only \$5.6 million is recurring).

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There will also be a tuition increase of about 2.5%, or an additional \$5.5 million. So there will be about \$11 million in recurring funds available for 1998-99, on current estimates. The problem is that the claims on that \$11 million are substantial:

--	a general salary increase of 2.5% for all employees	16.5 million
--	faculty compensation strategy (year 2)	12.6
--	new facilities costs not in the budget before	8.8
--	financial aid	1.6
--	"other" (a placeholder)	4.0

--	total	43.5 million

In other words, there will be \$11 million to pay for those \$43.5 million in expenses. What is to be done?

There is a standard list of things that can happen, Professor Morrison said: cut costs, raise revenue, retrenchments--but the University cannot counterfeit money. What the Committee will face--and which it must address much earlier in the year--is trying to get the administration to make considered judgments about how to make the necessary decisions.

Professor Gray noted that there is about \$15 million in non-recurring money (the \$20.5 million minus the \$5.6 million that is recurring) to cover the shortfall. There are two problems with looking at the non-recurring money, Professor Morrison said. One is that the money may not recur--the legislature may not agree to continue it into the next biennium--which would mean very sharp cuts the following year. There are also a lot of non-recurring expenses of equal importance to the list of recurring items (e.g., fiber optics) that will have to be met.

Professor Gray said her fear about the non-recurring money is that the compensation strategy could be changed to "bonuses" rather than real raises in the second year of the biennium. That is something the Committee must guard actively against. Professor Morrison concurred, and added that the "commitments" of \$32.5 million for 1997-98 have not been fully allocated, and that any commitment of recurring funds should be postponed into the following year, to cushion the shock of next year.

Asked what the "commitments" for 1997-98 were, Professor Morrison said he did not have the list, but include tuition agreements with colleges, Northrop, and other items recited orally at the Finance and Planning meeting.

Professor Bloomfield asked Professor Morrison what the gap would be, had he prepared these spreadsheets two years ago, for the current biennium. It would be similar, Professor Morrison said. Had he put it together FOUR years ago, there would have been little or no gap; what is happening is that in the current and next biennium, the Governor has insisted that a significant part of the appropriation be in non-recurring funding, so that the base is not as big the next time around. This is a political strategy. Professor Gray reported that the Governor had doubled the amount of non-recurring funding the University received, after the legislature acted.

Professor Morrison referred to a graph of funding for the University for 1991 forward. He noted that the appropriations dropped from 1991 to 1993, and then began to increase. Had the Governor and legislature stuck to the original base out of the last biennium, the University would have seen a sharp decline in funding. With the increased base, the possible decrease in the future would not be as sharp, but there is still a decrease during the second year of the 1997-99 biennium.

This year the budget is fine; next year the budget will not be comfortable, Professor Morrison concluded. The Committee is forewarned for next year.

5. Future of the Provostal FCCs

Professor Gray next raised the issue of the provostal FCCs (PFCCs); she noted the statement from two of the PFCCs asking that they be continued, and distributed the Senate language creating them. Now that the Regents have approved the reorganization plan proposed by President-elect Yudof, there will be no provostries on the Twin Cities campus; the question arises about the PFCCs. Election ballots for the PFCCs have been held pending this discussion.

The general question about the PFCCs leads to another question: are all three in the same situation, or is the AHC in a slightly different position? She has received a communication from the Arts, Sciences, and Engineering (ASE) and Professional Studies PFCCs requesting they be continued, and somehow work with incoming Executive Vice President Bruininks. The AHC PFCC also wants to continue, and is moving forward actively to establish an assembly and committees. They can do so on their own, but wish to be related to the Senate. It is possible that FCC might make a different decision about the AHC PFCC and the other two.

Long-term, there is also need for thinking about the new organizational structure of the University, which is pretty much the way it used to be: Is FCC sufficient, or is something else needed? This issue needs to be brought back to the Senate in the fall, because it must disband what it created; there is also some urgency because a decision about the elections must be made.

Professor Bland said that the issue of the AHC and its assembly can be separated from the other two PFCCs, because there will be a vice president in the health sciences.

Professor Gardner observed that the basis for election to the PFCCs is the collegiate unit, which is not true of FCC. It would not be in anyone's interest to have two different committees representing everyone but the health sciences, but there should be thought to given at-large collegiate representatives on FCC as a way of meeting that perceived representational interest that the current PFCCs provide.

Professor Bloomfield said that although imperfect, there is collegiate representation on FCC, through representatives elected by the entire faculty; the balance shifts from year to year. There are two things going on: one is that the PFCCs have felt they provide a useful function, and they feel, with less justification, that the SENATE governance structure has not done as much as it should. At least this past year, that has not been true. In a talk with one of the ASE PFCC members, he recalled asking what is unique to the ASE that needs special representation to Bruininks? There is research, but there is a Research Committee; there is undergraduate education, but there is SCEP and likely to be an officer for undergraduate education. Professor Bloomfield said he had found it hard to get an idea of what was not

being represented that the ASE PFCC was representing. The pros and cons of returning power to the colleges can be debated, but it is not a bad idea to try; the consultative mechanisms should focus on the colleges. As a result, he said he is not in favor of continuing the PFCCs; the existing Senate structure should continue to serve that role, and should be SEEN to do so.

Professor Hobbie said he believed the PFCCs should continue, for two reasons. First, having the PFCCs has provided ANOTHER set of faculty voices to give advice and to understand what the problems are; their advice and communication has been with a different group of administrators from those with whom FCC communicates. It seems natural to let the AHC PFCC continue as it is, and perhaps put the other two together for awhile and let them talk to the Executive Vice President. There needs to be a group representing the core, and Dr. Bruininks should appoint a vice provost with responsibility for the core rather than a vice provost for undergraduate education, both in terms of budget and quality. The ASE FCC giving advice was helpful, and the minutes of the meeting of the ASE FCC with the three deans reflect an extremely fruitful meeting. The importance of the core, in terms of the NRC rankings, is obvious in hindsight but not articulated clearly before they met with the deans.

Professor Gray said she was concerned about having too many voices and too many groups for administrators to meet with. She recalled a meeting held after the election, where the administrators were assembled and were asked how faculty could consult more effectively; there is a sense among administrators that they never finish consulting--that they have to go to this group, then that group, then another group. The PFCCs add one more group; at some point, it must be said that there is an elected FCC, and after the administration has consulted with them, if the FCC has done its job, it has represented the faculty viewpoint.

When there are multiple groups, Professor Gray added, there is the possibility for conflict in the advice offered. This year, two of the PFCCs called a meeting with Yudof to tell him they supported the provostal system; FCC gave him a different message. That would happen from time to time; what is the administration supposed to do? In that situation, they can do what they wish.

If the PFCCs are to be continued, she said, it would have to be strictly defined: what are the topics, what is the difference in what the PFCCs and FCC will talk with Dr. Bruininks about? Presumably the difference would be clearer in what the AHC PFCC would talk about, but there would still be an overlap. The relationship between FCC and the AHC PFCC would have to be worked out, perhaps through a task force.

Professor Tirrell concurred with Professors Bloomfield and Gray; the main effectiveness of the PFCCs has been not they cover issues not represented in the Senate structure, but that they were focused on an identifiable territory that was smaller, and therefore more commonality of issues and specific items. That continues with the AHC; the problem is with the other two PFCCs. He said he was worried that the new administrative structure of the University would not provide for an effective role for the two PFCCs. A single PFCC would have a scope so wide that it would duplicate much of what FCC does, and would not have the focused attention. Something would have to be done to differentiate the missions.

Professor Hamilton said he supported retention of the AHC PFCC, if for no other reason than it has been a force to bring the AHC together. The AHC will still be a unit different from the others, primarily because of the issues that arise. A single FCC does not have time or energy to run fast enough

to keep up with what is going on in the AHC.

He said he has been concerned about the relationship between the PFCCs and the FCC, and wondered why the PFCC chairs were not ex officio members of FCC, so there would be communication both ways. A good example of the need for this was what was heard in the Finance and Planning Committee earlier about AHC salaries; the PFCC had not heard about that. The AHC needs its PFCC; it is organizing the faculty, which is positive for the University.

Professor Bloomfield said he did not oppose retention of the AHC PFCC; his view is that it should be within the AHC, and not have a statutory connection to the Senate.

Professor Dempsey also agreed with Professors Bloomfield and Gray. There is a need for a group in the AHC to meet with the provost and stay on top of matters. But proliferation of the other PFCCs has been too much. No one has mentioned that they have representatives on the Committee on Faculty Affairs; people are not using their representatives the way they should. Faculty could also get to FCC members to express views, and it may be the duty of FCC members to reach out to faculty.

Professor Evans said she agreed with Professor Hobbie that there is a need for a voice for the core. The University has lived without that in the past; there is no vice president for the core. That is an issue about the University structure, and it is real.

The PFCCs have worked well; there has been a lack of articulation between them and FCC that needed fixing. If the groups continue, that relationship must be fixed. But they have worked well because they have been faculty voices attached to specific administrations; they had budgetary and curricular responsibilities. Without the provostal structure, it is harder to think about that kind of representation. All of the objections being raised at this meeting are very rational, but at the same time FCC should not dismiss the sense that people have of having been represented, having a voice, that they did not have before.

They do have a voice, Professor Dempsey responded; they do not use it. Where it worked was because they had a provost to deal with who was making decisions, Professor Evans replied; they could advise the provost on decisions that affected the cluster of units. Without a provost, it is harder to think about--but something positive happened. What went on in the PFCCs was not redundant. FCC was trying to do a better job, but that does not eliminate the positive things the PFCC was doing. They perceive the FCC reaction to their request to continue as FCC wanting less faculty voice, or wanting a monopoly on the faculty voice. FCC must hear what is being said, and why the three deans were positive, what they saw is needed. FCC must identify what is needed, and articulate it with the structure of the University in a way that will strengthen the possibility for faculty voice, rather than lead to endless multiplication and redundancies. But the matter should not be dismissed out of hand.

Professor Koch joined with Professor Evans, and said it is premature to decide what to do. She related that Dr. Yudof had recently toured General College, and she had expressed concern to him about the core and about undergraduate education, and that there needed to be an administrator responsible for them. Dr. Yudof speculated that there could be three different people with responsibilities. If the core is to be represented, it may be there will be someone other than Dr. Bruininks with whom it would work. Alternatively, the ASE PFCC could serve as counsel to the deans. But it would be competition to have

another FCC that had the same discussions with the same person. When the structure is known, there may be a way to represent the core.

One reason not to rush to create a new structure, Professor Gray said, is that those involved spent a year in study and transition before setting up the current provostal structure. It was a long process of negotiation. Nothing new can be created today; there is a need for a task force to talk to people and for time for the new structure to evolve so that the governance system can be matched to it. The provosts were in place several months before the PFCCs started, and that was helpful.

Instead of making a decision, FCC should take a position that it believes there should be faculty consultation at every level, and that it intends to work next year on this issue when it knows what the structure is, Professor Evans suggested. If there are administrators not connected to faculty consultation appropriate to their domain, then FCC wants to make sure it will happen. Right now, however, things are in a state of suspension, but the kind of faculty voice that the PFCCs have provided should be continued.

Professor Bland agreed with Professor Evans and recalled that during the transition, the effort was to have faculty voices where administrative decision-making occurred; that principle should be retained. Right now that voice does not exist; relating to the deans would make sense, and FCC relates to the president and vice presidents. It may also be that there are clusters of deans who the faculty could talk to, Professor Evans pointed out.

Professor Bland continued that the structure of governance should match the administration, and also agreed that there are Senate committees that deal with many issues of concern to the faculty.

Professor Hobbie said that the advantage of the PFCCs has been that they are elected by the faculty of their units, rather than by the faculty at large. It would make a lot of sense for FCC to ask the combined ASE and Professional Studies group to meet with Bruininks, and FCC would meet with Yudof. Other FCC members disagreed with this suggestion.

Professor Gray said that the point of the memo from the two PFCCs seems to be that they want to meet with Dr. Bruininks to talk about academic matters within their colleges; FCC's charge is to talk with him about University-wide issues. But sometimes these overlap. For example, FCC has worried about use of adjunct and non-regular faculty, and asked SCFA to look into it; meanwhile, the Professional Studies PFCC also started to consider it. That is not an issue confined to Professional Studies, and such issues need to be sorted out.

Professor Evans maintained that what Professor Gardner had said earlier should be considered; if the way FCC is constituted does not clarify the representation of different parts of the University, that needs to be taken into account. Professors Bland and Gray pointed out that FCC members are not SUPPOSED to represent their units. Professor Bland said she has been somewhat uncomfortable with the idea of PFCC members representing a particular unit; then they do not think institution-wide.

Professor Hamilton pointed out that what has been done is to enfranchise a group of people--and now FCC is saying it may disenfranchise them. That is bad, particularly right now. He said he agreed with Professor Evans that events should move slowly. Professor Bland agreed, but said the PFCCs should not be continued simply because they like what they are doing; they must be matched to a

decision-maker.

Professor Gardner said there are two things to be sorted out. It is clear that the provost or vice president for the health sciences will function at the policy-making level, so there is no question that position should have an equivalent faculty committee. The Executive Vice President is not going to function in that same way, if President Yudof really intends to delegate powers to the colleges; it will be a very different job from when E. F. Infante had both provost and senior vice president roles. If the Executive Vice President is a pass-through to the colleges, then there is not a need for a separate body distinct from FCC. But there is no question that most faculty feel disenfranchised because they do not see FCC as representing their interests in their colleges; he said that he does not in any "represent" the College of Agriculture, Food, and Environmental Sciences on FCC, and his colleagues do not perceive him as doing so. Professor Emily Hoover represents the college on the Professional Studies PFCC to Provost Allen; there is a very different feeling and perception of the faculty representation. That is why he suggested dual representation on this committee, with some from the colleges and some at large.

Professor Gray said she believed that FCC was at maximum size to function well. She said there appeared to be a consensus in favor of a task force, but there is the practical question of whether to have an election, to put the PFCCs out of business, or to ask them to continue to serve. After brief discussion, it was agreed that PFCC elections would not be held, that the current PFCC members would be asked to continue to serve until further notice, and that the PFCCs should define their own functions for the interim. The task force should get to work this summer, Professor Evans suggested, so it does not look like the PFCCs are being subject to slow strangulation. There is also need to talk with the students about their provostal committees; Professor Gray said she would do so.

6. Election of Officers

Professor Gray then reported for the lame duck committee. It nominates as FCC chair for 1997-98 Professor Bloomfield and as vice chair Professor Tirrell. Hearing no further nominations, Professor Gray called for a vote; the Committee unanimously elected Professors Bloomfield and Tirrell.

7. All-University Honors Committee

Professor Gray asked that the Committee go off-the-record to discuss Duluth membership on the All-University Honors Committee. The Committee discussed more generally ways in which the Duluth faculty and faculty on the other three campuses might work together on issues of concern to all. It was agreed that Professor Bloomfield, as incoming chair, should take the lead on initiating a conversation with the Duluth faculty.

8. Meetings with Other Administrators

Professor Gray then called on Professor Gardner for an observation about the meetings. He noted that there are meetings scheduled with the President and with the Executive Vice President and Provost, and suggested that there are a number of University-wide issues controlled by the Senior Vice President for Finance and Operations that have significant implications for academic matters, issues that are broader than those dealt with by the Finance and Planning Committee. He urged that FCC meet regularly with Senior Vice President Jackson, because of many of the frustrations of the faculty have to do not

with how Finance and Operations works but how it interacts with the rest of the University. That needs consideration by this Committee.

It was agreed that Senior Vice President Jackson should be invited to join FCC on a quarterly basis.

Professor Gray then adjourned the meeting at 4:00.

-- Gary Engstrand

University of Minnesota