

Minutes\*

**Senate Committee on Finance and Planning**  
**Tuesday, June 7, 2005**  
**2:30 – 4:15**  
**510 Morrill Hall**

Present: Charles Campbell (chair), Rose Blixt, Steve Fitzgerald, Lincoln Kallsen, Thomas Klein, Joseph Konstan, Michael Korth, Judith Martin, Ian McMillan, Terry Roe, Karen Seashore, Charles Speaks, Alfred Sullivan, Warren Warwick

Absent: none counted for a summer meeting

Guests: Provost E. Thomas Sullivan

[In these minutes: (1) discussion with Provost Sullivan; (2) issues for 2005-06; (3) resolution]

Professor Campbell convened the meeting at 2:00 and began by welcoming two new members of the Committee, Professors Judith Martin and Justin Revenaugh.

**1. Discussion with Provost Sullivan**

The Committee held an hour-long discussion with Provost Sullivan that touched on a number of issues, some of which have been of concern to the Committee for several years. They included:

- the funding of common goods, especially libraries and the technology infrastructure, and the extent to which funding should be centralized or decentralized
- transparency and accountability in budgets, particularly for common goods
- the budget model
- the need for comparative information from other top research universities
- incentives and rewards for individual faculty and for departments/programs
- faculty salary distribution

Professor Campbell thanked Provost Sullivan for joining the meeting.

Following Provost Sullivan's departure, Professor Morrison, the incoming chair of the Committee, asked Dr. (Al) Sullivan about the role of the Committee in appointing and then reviewing the work of any task forces that will deal with the issues outlined in the administrative strategic planning report. Dr. Sullivan noted that the administrative task forces will not have the same December deadlines as the academic task forces because the work on administrative issues is expected to continue over a period of several years. He also said that there would be faculty members on the task forces.

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Apropos the discussion of centralization versus decentralization, Professor Seashore raised questions about the implications of unchecked decanal power if a dean is not doing a good job or does not have adequate staff to make significant financial decisions based on accurate analysis. The need for faculty participation in these decisions is critical, she maintained. Mr. Klein suggested that this was an example of the long cycle time the University community has in dealing with personnel, administrative and management issues that have inherent conflicts and tradeoffs. The Committee expressed support for the proposed new and more efficient system for reviewing deans.

## **2. Issues for 2005-06**

Professor Morrison distributed copies of a list of issues he foresaw for the Committee for 2005-06.

### Recurring issues:

- Capital request
- Six-year capital plan
- Supplemental budget request
- Debt review
- Annual Financial Report
- Review Budget Office work plan
- Review Budget Instructions
- Run-up for the 2008-09 biennial request
- Stadium
- Parking and other costs to employees and students
- Tuition policy

### Strategic Positioning Issues:

- Review output of Administrative Task force and follow-up groups
- Impact of other strategic planning on the finances of the University

### Financial Issues:

- Investment policy guidelines for Faculty Retirement Plan (to the Retirement Subcommittee first)
- Financial systems replacement

### Special Issues:

- Salary targets (requested by Provost Sullivan)
- Budget model

### Other

- Food services and vending contracts (the RFP process will start in 2006; the Committee will want to review the parameters of the RFP)
- AHC expansion plans
- Land purchases

Professor Morrison invited Committee members to make additional suggestions. Professor Konstan suggested a few other issues:

- how financial operations affect individuals (certified approver program, restrictions on expenditures of funds, support for reporting)
- assessment of faculty workload (the Federal Demonstration Partnership is doing a grant administration survey) and the amount of time faculty spend on "overhead" versus mission
- human capital development and management training: is the University investing what is needed?

And as procedural matters, he said, (1) visitors to the Committee should be instructed that they are not to take all the time allotted to them on the agenda but must leave time for Committee questions and discussion, and (2) visitors should generally be asked to provide materials ahead of time. Professor Morrison agreed he would try to insist on these practices, noting that sometimes things change the morning before a meeting so it may occasionally be necessary to receive materials at the meeting rather than ahead of time.

### **3. Resolution**

Professor Konstan moved the following resolution:

Whereas, Professor Chuck Campbell has served actively and faithfully on the Senate Committee on Finance and Planning since 1998, and as our chair for the last two years, and

Whereas, the members of the Committee have appreciated Professor Campbell's substantial work, good humor, and devotion to the advancement of the best interests of the University of Minnesota,

Therefore Be It Resolved that the members of the Committee extend their warm thanks to Professor Campbell for his service as chair of Finance and Planning for the last two years and express the hope that Professor Campbell will continue to make himself available to serve the University in the same splendid manner that he has in the last several years.

The motion was adopted unanimously and Committee members gave Professor Campbell a round of applause. Professor Campbell said that dealing with the Committee had been a very rewarding experience.

He adjourned the meeting at 3:30.

-- Gary Engstrand