

2008-09 UNIVERSITY OF MINNESOTA

MARCH 5, 2009

UNIVERSITY SENATE MINUTES: No. 3 FACULTY SENATE MINUTES: No. 4 STUDENT SENATE MINUTES: No. 3

The third meeting of the University Senate and the fourth meeting of the Faculty Senate was convened in Coffman Theatre, Minneapolis campus, on Thursday, March 5, 2009, at 2:33 p.m., as a joint meeting of the bodies. Coordinate campuses were linked by phone. Checking or signing the roll as present were 24 academic professional members, 16 civil service members, 120 faculty/faculty-like academic professional members, and 29 student members. Vice Chair Carol Chomsky presided.

1. ADMINISTRATIVE RESPONSES TO SENATE ACTIONS Information

Faculty Senate

Amendment to the Policy and Protocol on the Student Rating and Peer Evaluation of Instruction

Approved by the: Faculty Senate December 4, 2008

Approved by the: Administration February 20, 2009

Approved by the: Board of Regents – no action required

Statement on University Responsibility to Researchers

Approved by the: Faculty Senate December 4, 2008

Approved by the: Administration - See comment*

Approved by the: Board of Regents – no action required

*The President supports the underlying principle of this policy statement, and is asking Vice President for Human Resources Carol Carrier to consider ways to incorporate the principle in the current comprehensive review process of administrative policies.

Border Searches of Electronic Materials

Approved by the: Faculty Senate February 5, 2009

Approved by the: Administration PENDING

Approved by the: Board of Regents – no action required

2. TRIBUTE TO DECEASED MEMBERS OF THE UNIVERSITY COMMUNITY

FACULTY/ACADEMIC PROFESSIONALS/STAFF

C. Edward Bowers

Professor

Civil and Mineral Engineering

1919 – 2008

Dennis L. Nelson

Professor

Economics – University of Minnesota Duluth

1929 – 2009

Sharon L. Wikstrom
Assistant Director
Development
1939 – 2009

Donald H. Yardley
Professor
Civil Engineering
1917 – 2009

STUDENTS

Karin C. Murphy
Carlson School of Management

3. STUDENT ACADEMIC INTEGRITY COMMITTEE Scholastic Dishonesty Reporting Process for Twin Cities Graduate Students Information for the Twin Cities Delegation

Purpose:

The purpose of this document is to provide a recommendation to the Office for Student Conduct and Academic Integrity (OSCAI) on a structure for communication with instructors and program administrators about instances of scholastic dishonesty by students in the Graduate School¹ (but not professional students) on the Twin Cities campus. It is hoped that by taking advantage of the existing structure of the academic programs it will be possible to remove some of the barriers to instructor reporting that may exist with the current method, and allow the Directors of Graduate Studies (DGS) to provide guidance. In addition this process will provide notice to program directors and colleges. This structure should also prove valuable for general communications from OSCAI to instructors and places the Directors of Graduate Studies (DGS) in a position to facilitate this process.

Scope:

This document covers graduate students in all levels of courses. Undergraduate and professional students will be covered separately.

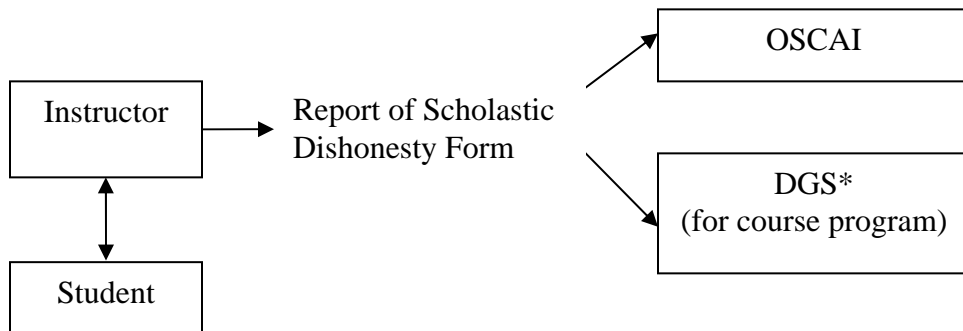
Recommendation:

There are two parts to the communication in the reporting process: 1. The instructor reporting the incident and, 2. The OSCAI notification.

1. Instructor Reporting

The following diagram summarizes the reporting process.

¹ This recommendation will have to be revised to reflect the new graduate program structure after the Graduate School replacement restructuring is complete.



* or equivalent person for graduate programs.

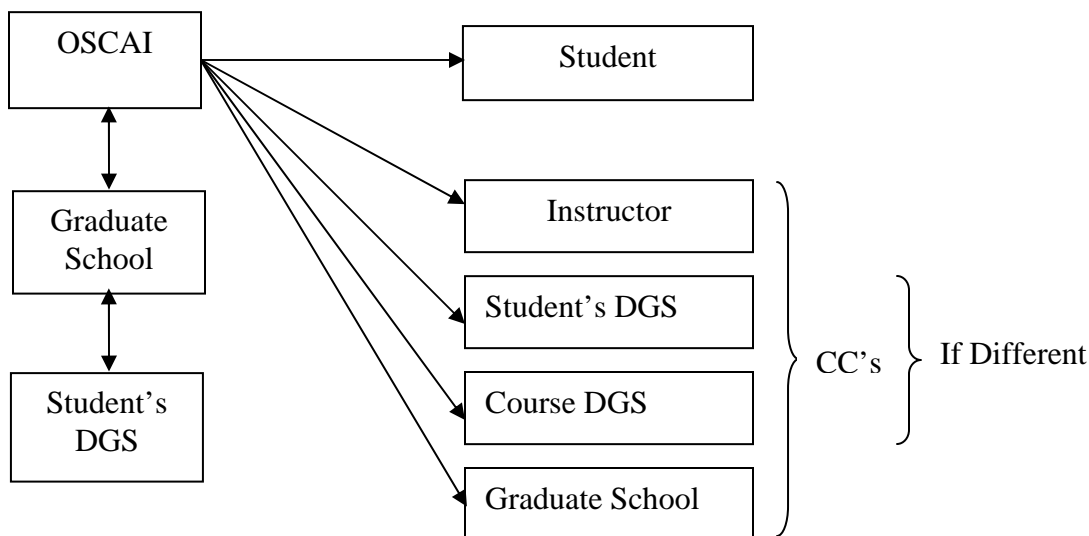
This process goes as follows: The instructor informs the student that there is a problem and discusses with the student what the resolution to the problem will be (for example, F on the assignment, F in the course, etc.) The instructor can use the DGS for the program that is offering the course as a resource in this process. A Report of Scholastic Dishonesty Form (see below) is filled out. The instructor is asked to indicate that the student has been informed. The instructor then files this form with the DGS for the program that offers the course and OSCAI. This completes the reporting process.

Because the DGS of the unit that offered the course is notified of the incident, there is also the opportunity to identify patterns of misunderstanding in course expectations and proactively address them with syllabus information and guidance to students, for example.

Role of the course DGS (as opposed to the DGS of the student's program, who becomes involved in step 2 below) in this process is to provide information about the process to the instructor and the student. *The course DGS is not a decision maker or part of the appeals process.* Determination of penalties resides solely with the instructor and the appeals process.

2. OSCAI Notification

After an incident is reported to OSCAI they determine if any further response is warranted (in the case of repeated or egregious instances) and consult with the Graduate School and DGS of the student's program to determine if that program wishes to impose any other sanctions on the student. In any case, OSCAI sends a letter to the student indicating that they have received a report of the incident. Copies of the letter are sent to the instructor and the DGS for the program in which the student is enrolled and which offered the course, if different, and the Graduate School. The following diagram summarizes the notification process:



This notification process is also used to announce the results of a hearing by the Campus Committee on Student Behavior (CCSB), should it be required.

Report of Scholastic Dishonesty Form Content Recommendation

This form should include the following:

- Instructor and class identification
- Student identification
- Nature of the incident (instructions to include copies of any relevant work, etc.)
- Instructors response to the incident (F on paper, F in course, etc)
- Place to indicate that the student was informed.
- Place to indicate that the course DGS was informed.
- Source of information for student appeals process
- Instructions for filing the form

OSCAI Educational Communications

OSCAI needs to provide information about implementation of this process and about other issues related to academic integrity from time to time to instructors. This should be carried out by OSCAI informing the program DGS (with copies to the Dean of the Graduate School and Deans of colleges with graduate programs) and then letting the DGS communicate with the instructors in their program. This will keep the DGS aware of the process and allow the DGS to answer questions and inform new faculty of the process.

Approved January 28, 2009

TOM SHIELD, CHAIR
STUDENT ACADEMIC INTEGRITY COMMITTEE

4. STUDENT ACADEMIC INTEGRITY COMMITTEE
Scholastic Dishonesty Reporting Process for Twin Cities Students
for Non-Course related Academic Activities

Information for the Twin Cities Delegation

Purpose:

The purpose of this document is to provide a recommendation to The Office for Student Conduct and Academic Integrity (OSCAI) on a structure for communication with faculty and program administrators about instances of scholastic dishonesty by students in academic activities that are not related to a specific course on the Twin Cities campus. These activities include exams (written preliminary, etc.), theses and other academic work that is connected to their program, but not a specific course.

Scope:

This document covers students at all levels on the Twin Cities Campuses.

Recommendation:

There are two parts to the communication in the reporting process: 1. The person reporting the incident to OSCAI and 2. The OSCAI notification.

1. Reporting

This will vary depending on the circumstances of the incident, but all incidents are to be reported to the OSCAI. The OSCAI office will provide a form on their web site for this purpose.

2. OSCAI Notification

The OSCAI notification process will follow either the undergraduate or graduate notification process depending on the level of the student's program. See these documents for details.

Report of General Scholastic Dishonesty Form Content Recommendation

This form will have to be much more general than the course related forms and thus it will be left to the OSCAI to design this form based on their experience with these types of cases.

Approved January 28, 2009

**TOM SHIELD, CHAIR
STUDENT ACADEMIC INTEGRITY COMMITTEE**

5. INTRODUCTIONS Dean James Parente, College of Liberal Arts

Professor Hoover introduced James Parente, Dean of the College of Liberal Arts.

6. SENATE CONSULTATIVE COMMITTEE REPORT

Professor Emily Hoover, Chair of the Senate Consultative Committee (SCC) and the Faculty Consultative Committee (FCC), said that today's remarks would incorporate both committees and focus on the process for restructuring graduate education. If senators take away one message from this report, let it be that shared governance works when everyone when everyone works with it.

Since the Provost's memo on February 9, she has received over 1000 emails from faculty, staff, and students about the restructuring and has spent much time in the last few weeks in meetings or on the phone on this topic. The University community has expressed a high level of concern, anger, and angst about how the decision was made, and although people were divided on whether it was a good decision, it caused controversy.

At the FCC, meetings were held with college deans and faculty representatives from the Executive Council of the Graduate School to discuss the process. FCC also met with the President and Provost on several occasions to discuss the Graduate School and to convey faculty, staff, and student concerns.

As representatives of the faculty to the administration, FCC members have openly and vigorously voiced concerns about the process. As chair, Professor Hoover met individually with central administrators to convey the sentiment of the University community. FCC leadership consulted with the President multiple times to shape the nature of the discussion that will now follow. These conversations have been confidential, but they have been repeated and extensive.

The result of this consultation is a confirmation from the President and the Provost that all aspects of this reorganization, including the timeline and the specifics, are on the table with the implementation committee. There will be ample opportunity for anyone interested to give input to the process and comment on the proposed decisions before any implementation occurs.

This experience has also resulted in discussions of how to ensure full consultation with faculty governance at early stages of University decision making in a very trying time.

**7. MINUTES FOR FEBRUARY 5, 2009
Action by the University Senate**

MOTION:

To approve the University Senate and Faculty Senate minutes, which are available on the Web at the following URL. A simple majority is required for approval.

<http://www1.umn.edu/usenate/usen/090205sen.html>

**STUART GOLDSTEIN, CLERK
UNIVERSITY SENATE**

DISCUSSION:

With no discussion, a vote was taken and the motion was approved.

APPROVED

8. UNIVERSITY SENATE OLD BUSINESS

NONE

9. UNIVERSITY SENATE NEW BUSINESS

A senator made the following motion:

The University Senate does not approved of the abolition and reorganization of the Graduate School as it has been proposed. While streamlining, budget cuts, and reorganization might be needed, the Graduate School should be preserved.

This motion was seconded.

A motion was then made and seconded to suspend the rules to consider the proposed item. A vote was taken and the motion was not approved with only 70 votes in favor, 63 opposed, and 13 abstentions.

The motion will be referred to the Senate Consultative Committee.

NOT APPROVED

10. UNIVERSITY SENATE RECESS

The University Senate was recessed at 2:46 p.m.

11. FACULTY CONSULTATIVE COMMITTEE REPORT

NONE

12. FACULTY LEGISLATIVE LIAISON UPDATE

Professor Martin Sampson, a Faculty Legislative Liaison, said that legislature has been in session for a few weeks, but not much has yet taken place. The Regents selection process is moving forward. The combined Senate and House will vote on this Monday afternoon. Preliminary groundwork is being laid for capital investment projects that may be affected by stimulus funds.

In these weeks, the central issue has been the state forecast and how the stimulus funds will affect the biennial budget. The state economist released his budget this week. Within two weeks the Governor will issue a revised report, followed by legislative proposals.

13. FACULTY AFFAIRS COMMITTEE FINANCE AND PLANNING COMMITTEE Health Care Savings Plan Action by Faculty Members Only

MOTION:

That the Faculty Senate advises the President that it revises its motion of May 1, 2008, which read as follows:

"The Faculty Senate recommends to the President that the University adopt a Health Care Savings Plan for the faculty that uses the 0.5% of the 2.5% faculty contribution to the Faculty Retirement Plan. If there are questions about the details of the plan, the administration will consult with the appropriate Faculty Senate committees and the Faculty Senate."

To now read:

The Faculty Senate recommends to the President that the University redirect 2.0 percentage points of the 13% points the University currently contributes to the individual's Faculty Retirement Plan to the individual's Health Care Savings Plan.

Approved unanimously January 27, 2009, by the faculty members of the Faculty Affairs Committee and the faculty members of the Finance and Planning Committee at the Faculty Affairs Committee meeting

Endorsed unanimously January 29, 2009, by the Faculty Consultative Committee

COMMENT:

At the urging of a number of constituents, the Senate Committee on Faculty Affairs (SCFA), in conjunction with the Senate Committee on Finance and Planning (SCFP), revisited the Health Care Savings Plan (HCSP) option for faculty. In brief, the HCSP is a vehicle to allow employees, group by group, to save money for health-care expenses after they leave the University or retire. It is the only fringe benefit program that allows tax-exempt contributions and tax-exempt withdrawals. Because it is a tax-free vehicle, it allows retirees to save substantial money, but the plan must be the same for each employee in each group (by federal law). Civil Service employees have already adopted an HCSP.

It is estimated by Money magazine that a person retiring in 2016 may need savings of \$200,000 to cover Medicare premiums and out-of-pocket costs. HCSP savings may be used for a wide range of expenses from aspirin to long-term health insurance to traditional reimbursable costs. HCSP savings never expire. Both SCFA and SCFP believe that it is in the best interests of the faculty that HCSP accounts be established through the redirection of 2.0 percentage points of the University's contribution.

**KATHRYN HANNA, CHAIR
FACULTY AFFAIRS COMMITTEE**

**JUDITH MARTIN, CHAIR
FINANCE AND PLANNING COMMITTEE**

DISCUSSION:

A senator stated that he is opposed to this motion because it increases existing inequities between heterosexual faculty and staff and gay, lesbian, and bisexual faculty and staff who are in domestic partnerships. The funds in this plan can be used to pay for the expenses for married spouses of heterosexual faculty and staff, but not for the spouses of gay, lesbian, and bisexual faculty and staff. This constraint is not something that the University chose, but is imposed by federal tax codes. It creates an inequity between two types of committed households that the University strives to recognize as equal. This has been presented to the Faculty Senate as a measure that will benefit faculty and staff, but it will only benefit one class of faculty and staff. This would put the University at even greater odds with its own anti-discrimination policies which treat sexual orientation as a protected category. The University did not choose the federal tax law to be what it is, but senators can choose to take a brave and self-sacrificing stand to honor its own statement and all classes of faculty and staff. For those faculty who intend to vote for this motion, he asked that they consider the consequences and messages that it sends to GLBT colleagues. Decisions need to be made now that contribute to the unity of faculty at a time when faculty faces challenges from inside and outside the University.

Q: What will happen to the 2 percent contribution when someone is allowed to opt-out?

A: The 2 percent would be paid out in salary.

Q: Who manages these funds?

A: They are managed by the State Board of Investment and includes seven options for investment.

Q: If this motion is not approved today, does the plan remain a personal option that can individually established under the current tax code?

A: The Health Care Savings Plan cannot be an individual choice, but is mandatory across a group of people.

A senator said that if someone opts-out of the plan, that person can defer these funds into an optional retirement plan.

Q: What will happen to these funds if the country adopts a universal health care model?

A: Even if there is a universal health care plan, faculty will likely still have health care costs and premiums. The funds could also be used to pay long-term health care.

With no further discussion, a vote was taken and the motion was not approved.

NOT APPROVED

14. FACULTY SENATE OLD BUSINESS

NONE

15. FACULTY SENATE NEW BUSINESS

NONE

16. FACULTY SENATE ADJOURNMENT

The Faculty Senate was adjourned at 2:58 p.m.

17. UNIVERSITY SENATE RECONVENE

The University Senate was reconvened at 3:03 p.m.

18. STATE OF THE UNIVERSITY ADDRESS

New Realities, Renewed Urgency

Introduction: The Future Is Past

Twenty years ago, in his book *The New Realities*, management guru Peter Drucker announced the imminent collapse of the Soviet Union, and was roundly ridiculed. Former Secretary of State Henry Kissinger called the notion “sheer nonsense.” Two years later, the great Russian Empire crumbled, and Drucker was vindicated.² He insisted that he made no predictions; he simply declared the new realities as shaped by 50 years of history.

The premise of Drucker’s book—namely, that *the future has already happened*—has profound implications for us today. You’ve heard one of my favorite proverbs, “You must run to catch the future.” But in truth, catching the future is like sailing to the horizon, or following the North Star: you are drawn ever onward, but you never reach your destination.

And that’s as it should be. Our aspirations and ideals should be bright and distant—bright, so we do not lose sight of them, and distant, so we continue to track straight regardless of the obstacles in our way.

For nearly 160 years, the University of Minnesota has sought “the bright horizon.”³ In the past decade, we’ve made historic changes that have strengthened the University and the state:

- Four-year graduation rates have doubled, and retention has increased to nearly 90 percent. We produce nearly 14,000 degrees a year—in the arts and humanities; science and engineering; agriculture and medicine; and many other academic and professional fields. Most of our graduates choose to live and work right here in Minnesota.
- Our research enterprise garnered \$675 million in sponsored funding in 2007, creating new knowledge, new products, new companies, and thousands of new jobs. The University’s total R&D expenditures increased nearly 19% between 2004 and 2007—that’s the second-largest growth rate among the top 20 public research universities. We currently rank 9th among U.S. public research universities and 14th among publics and privates. And in the past year we’ve risen from 33rd to 28th in the Shanghai rankings of 1,200 public and private universities worldwide.
- We’ve also seen record levels of private support for the University’s academic mission. The Promise of Tomorrow Scholarship Drive has generated more than \$260 million in just five years. And in the past year alone, we’ve garnered the three biggest gifts in the University’s history—\$155 million total to support cancer and diabetes research and children’s health care. These commitments demonstrate a high level of confidence in the University’s capacity and potential.

Clearly, the value and impact of the University of Minnesota system extends well beyond our classrooms and laboratories. Yet despite tremendous progress, today we face historic challenges to our public mission. State support is on the wrong trajectory—and recent history shows that as state funding slips, so does our ability to compete for federal dollars and private support.

Without this support, our ability to serve the state is diminished. For the second time in my six years as president, we face the prospect of wage and salary freezes and layoffs—this, despite the fact that the University is as strong and productive today as ever. Our degrees and our graduates are highly sought after, and the knowledge and innovation we generate here fuel the state’s economy. Now is not the time to reduce the University’s quality and capacity; now is the time to invest in excellence. It is more important than ever that we elevate our gaze to encompass both our immediate challenges and the future we are shaping today.

The New Realities

² Drucker, Peter F. *The New Realities*. New Jersey: Transaction Publishers, 2003, preface.

³ Bruininks, Robert H. 2008 State of the University Address, closing sentence.

If you accept Drucker’s thesis, then the economic downturn we’re experiencing is the culmination of decades of public policy and private decision-making. If you take it a step further, the actions we take to manage these challenges will shape our future for decades to come. As a result, we must not plan for today, or even for the biennium. Instead, we must ask ourselves these questions: “What challenges will remain even after the economy rebounds? What are the new realities we face?”

Funding for higher education

The first new reality is the slow but steady shift from public funding to a more private model. This is not a transition we’re making by choice—but with the proposed budget cut, this year could mark the first time in the University’s history in which tuition revenue contributes substantially more to our operating budget than state support.

Every dollar still matters. We cannot suddenly replace state funding with tuition dollars, nor can we support our day-to-day operations with restricted federal dollars or private support. As an educational institution, we must continue to improve service and productivity, graduating more students in less time without sacrificing quality. As a research enterprise, we must be responsive and entrepreneurial, collaborating when appropriate, and competing effectively for available resources. As stewards of the public trust, we must reduce costs and increase revenues from other sources to support our public mission. But as Minnesota’s only research and land grant university, we must also fight to maintain and strengthen the state’s investment.

What can we do? We must continue to make the case for higher education. Today, when so many of our political leaders want to strengthen the middle class, we all know that the completion of a college degree is the best indicator of a person’s ability to successfully transition from poverty to prosperity. We know that human capital and innovation are critical to economic growth in the global creative economy. But we also know that today, many Americans are more concerned with health and safety than they are with education. As support grows for their priorities, funding for education and research will be increasingly hard to come by.

Age and diversity

The second new reality we face is tightly tied to the first. Changing demographics in Minnesota and surrounding states will have a profound impact on the University’s future. An aging population means the proportion of state and federal spending that goes to health care and entitlements will continue to grow. According to the Peter G. Peterson Foundation, the sum of America’s unfunded liabilities and entitlement promises is more than three times the size of the entire U.S. economy.⁴ This problem demands a long-term vision and substantial reform—we cannot continue to borrow against an unknown future.

The aging population also has implications for Minnesota’s workforce. State demographer Tom Gillaspay has noted that even as boomers begin to retire, the number of young people graduating from high school in Minnesota will peak this spring. This means declining numbers of young people entering Minnesota’s work force. As a result, the size of our state’s work force will hit record lows by the end of the decade.⁵

To meet the state’s long-term workforce and leadership needs, the University of Minnesota must recruit, support, and graduate promising students from all walks of life. We must actively recruit local students; minority and immigrant students; low- and middle-income students; out-of-state and international students. Our role as a talent magnet for the state will be critical. Our challenge is to outperform our peers, attracting and keeping more students from more places than ever

⁴ Peter G. Peterson Foundation Web site, www.pgpf.org.

⁵ Kimball, Joe. “Minnesota facing negative effects of aging work force, state demographer says.” *MinnPost.com*, Jan. 26, 2009.

before. This will require sustained effort and targeted investment in financial, academic, and social support programs throughout the University system.

We will also need to attract *our own* diverse and talented workforce. A world-class university requires exceptional faculty and staff to thrive. Diversity of perspective and experience strengthens the University by ensuring that new ideas are evaluated from every angle. In the past, diversity in higher education has been viewed as a problem to be solved, but we have identified it as a core value. We know that opening our doors to as many people, with as many different backgrounds, identities, and perspectives as possible, is not only the right thing to do, it is also the smart thing to do.

Local and global competition

The third new reality we face is increased competition—here in Minnesota, and globally, as well. The United States is still the destination of choice for many of the world’s best and brightest students, but global investment in research and education has skyrocketed. Today, international students are increasingly able to find more affordable opportunities to study abroad in countries other than the U.S.

In addition, universities overseas are becoming more aggressive in recruiting U.S. students. Last May you may have noticed a bus shelter on University Avenue, advertising the Discovery Scholarship at King Abdullah University in Saudi Arabia. Recipients of the scholarship were promised full tuition and expenses while they completed their bachelor’s and graduate degrees. I take great pride in our efforts to keep education affordable for our students—but we have yet to launch any scholarship program of this magnitude!

And it’s not only other nations that are giving us a run for our money. Our list of competitors now includes online universities, as well as local degree offerings from public and private institutions across the region.

Last semester, the University of Minnesota system offered 600 online and hybrid courses to students in Minnesota and around the world—targeting academic areas where the needs are greatest and the University has distinct comparative advantages. We are meeting a demand that is met nowhere else in the state—but if we neglect the benefits of technology-enhanced teaching and learning, we will quickly become outmoded.

Increasing accountability

The final new reality we face is a steadily increasing emphasis on accountability. For educators at all levels, as competitive pressures intensify, funding is increasingly tied to results. In an environment of increased competition for tighter resources, the University of Minnesota will be asked to demonstrate its worth in concrete terms that policy-makers and the public can understand. Too often, we hold the value of our work to be self-evident. As academics, we’ve always been good at tracking data and measuring results within our own disciplines. But as a community, we’ve been less adept at turning that same careful eye toward our own outcomes and operations.

This push for accountability presents a silver lining—if we can successfully integrate real results into education and research policy, we can help to depoliticize the discussion, reduce costs, and encourage greater investment in teaching and research that work.

Beyond the Biennium: The Future of the U

We cannot ignore these new realities, and in the face of such dramatic shifts, our common knowledge won’t be enough to maintain our quality and competitiveness. We must work hard—together—to plan now for the long term.

I realize that this is not easy. Planning for the unknown demands vision, creativity, and a sense of urgency. Vision and creativity we have—they exist in abundance on all of our campuses. But true urgency—what leadership expert John Kotter describes as a gut-level determination to act now in order to win—is often lacking.

Our current economic challenges, coupled with the new realities we face as a University, demand immediate action in the best interest of our future. These actions are not ours alone; they must be mirrored and supported by the actions of state leaders. Today I propose four strategies to solidify the University’s quality and mission for coming generations.

A new covenant

First, we must seek a new covenant with the state of Minnesota. The Minnesota Educational Futures Covenant would be an agreed-upon vision for the future of education, human capital, and innovation in Minnesota. It would include aspirational goals, defined strategies, appropriate measures, and sustained resources. In January, I delivered a speech to state education leaders in which I began to lay out such a vision. It included a strong focus on college readiness and a deeper commitment to collaboration among all education stakeholders statewide.⁶

Focusing on college readiness is a practical way for Minnesota to graduate world-class students. Many countries that outperform the U.S. in elementary and secondary education still send their best graduates to college here—so if we graduate students who are truly ready for college in the U.S., they will be “globally competitive.”

A stronger financial model

Second, we must strengthen the University’s financial model to ensure that each of our primary sources of revenue performs as part of an integrated strategy. Financial stability is critical for our long-term planning efforts. With state funding essentially flat over 30 years and now declining significantly, it makes sense to bolster our sponsored funding, private support, and other existing resources. We must also continue to refine our strategy for managing tuition revenue and maintaining affordability. To this end, I’ve assigned a task force to develop a stronger, sustainable financial model for the University. Our goal is to stabilize our base budget so we can take a longer view of the University’s future.

As I’ve said, we cannot raise sufficient private funds to replace the critical annual contribution of the state. It simply isn’t possible—and if it were, it would change the very nature of our University. Our essential role in Minnesota’s economy and quality of life is tied directly to our public mission and public support—take that away, and we are no longer Minnesota’s university. So even while we maximize other revenue sources and increase our productivity, we must re-establish higher education as a long-term priority for the state. This won’t happen overnight—but it *must* happen!

Affordable access and support

Third, we must take creative and decisive action to ensure affordable access for well-prepared students, as well as strong academic support to ensure more timely graduation. The strength and reputation of the University of Minnesota will always be tied to the success of our teaching mission. As the real cost of delivering higher education continues to climb, so does the need to devote more resources to support students of modest means. We must expand our need-based financial support to include middle-income students, and we must graduate students in a more timely manner, with a high-quality education and a valuable degree.

⁶ Bruininks, Robert H. “Minnesota: The State of Education.” Association of Metropolitan School Boards Conference Keynote Address, Jan. 26, 2009.

The University has provided free tuition to low-income Minnesota students for the past several years. Nearly 5,000 students—12 percent of undergraduates system-wide—attend our campuses with free tuition through the Founders Free Tuition Program. This year, we are renewing and expanding this commitment. The new scholarship program will build upon the Founders model to include preK-12 outreach, college readiness, and enhanced academic advising for these students. In other words, low-income Minnesota students will benefit from proactive University outreach and support *before* high-school graduation—followed by a tuition-free college education with strong academic support on the University of Minnesota campus of their choice.

Need-based scholarship support for middle-income students is clearly the “next frontier” in our commitment to affordability. I’m pleased to share that even in our current budget climate, we are modeling increases in need-based scholarship support in order to include middle-income Minnesota students. These scholarships, coupled with significantly expanded federal tax credits, will enable us to substantially reduce the impact of tuition increases on Minnesota families that earn up to—and even beyond—the state’s median family income.

The expansion of our Founders commitment for low-income students, and our new focus on need-based scholarships for middle-income students, comprise a comprehensive new tuition-reduction strategy. In keeping with our historic land-grant mission and leadership position on these issues, I propose that this year we launch the University of Minnesota Discover U scholarship program. We have demonstrated our ability to increase exponentially our private support for scholarships and fellowships. With modest internal investment and new state support, we can greatly reduce the cost of education for thousands of future Minnesota students.

Strengthened core and capacity

Fourth, we must act today to maintain the strength and quality of the University, so that we are well positioned for future opportunities. This means sticking to our strategic plan, our shared values, our high aspirations, and our commitment to excellence. Whatever difficulties we face today must be met with equal resolve to preserve this great institution.

By statute, the University of Minnesota is the state’s only research university system *and* its only land-grant university. We have a unique mission of teaching and learning, research and innovation, and public engagement and outreach. University of Minnesota students—undergraduate, graduate, and professional—are taught in state-of-the-art laboratories and technology-rich classrooms by faculty who are leaders in their fields. Our alumni and friends are investing in the University because they recognize the great promise and potential of the work we do. Minnesota companies are seeking deeper relationships with our campuses, laboratories, and offices statewide. And the federal government intends to increase research funding, as expressed in the America COMPETES Act.

Clearly, opportunities abound for a university that is poised to take advantage of them. We must continue our capital investments in order to ensure that our campuses meet the needs of tomorrow’s students, to protect Minnesota’s competitive edge in key fields and industries, and to sustain the University’s statewide role in advancing the arts and humanities. But we must also better leverage existing resources and capacity to increase productivity and revenue while improving service, flexibility, and responsiveness.

The 21st Century Land Grant University

A new covenant with the state must be based upon the unique and essential role that *this* university plays in the future of Minnesota. Students choose the University of Minnesota for a world-class education, and employers look to us for tomorrow’s leaders. The University of Minnesota system is the state’s strongest source of new ideas and innovation. Our campuses easily outpace the R&D spending of all other Minnesota universities combined. But we also have a unique responsibility to “the Welfare of the State,” as the words above the pillars of Northrop

attest. University research and responsibility come together in major discoveries like the one announced yesterday. Two University researchers have unveiled a promising breakthrough that could have a profound impact on preventing the transmission of HIV—a discovery that could change the lives of millions of people around the world.

Our mission has never been more important than it is today. In recent years, when Minnesota needed an institution to lead the investigation into mesothelioma on the Iron Range, to spearhead the development of a statewide environmental plan, to address strategies for enhancing Minnesota’s transportation system, or to make an accurate economic forecast, state leaders again turned to this University.

We continue to shape our state and transform our University. As we do so, however, we must all strive to protect the values at the core of academic life, including academic freedom, integrity, civility, and dissent. In 1934, University President Lotus Coffman wrote, “Much as we may decry the academic life at times, we must remember that it is the sole safeguard of the university spirit.”⁷ Not everyone knows what goes on in our classrooms and labs. Not everyone understands the alchemy of ideas—old and new, complementary and contradictory—that shapes the understanding of those who work and study here. But we understand. We know that the university is a stronghold for free expression, civil discourse, entrepreneurial spirit, and shared responsibility. These values are critical to our own future—but they are also essential to the prosperity of a free society.

If that sounds lofty, it should. In challenging times, it is easy to lose sight of ideals that are higher than the here-and-now—but if we are focused merely on incremental improvement in the near term, we will never achieve lasting success. We must look beyond the bottom line and make decisions not for the University of today, but for the University of tomorrow.

But even as we preserve these shared values, we must continue to evolve as an institution. In his book *The Tyranny of Dead Ideas*, Matt Miller writes, “In an era when more change is expected to occur in the next thirty years than in the previous three hundred, the skill and speed with which people cope with new circumstances will be the key to success; those slow to adapt will be punished faster and more harshly than was the case in calmer times.”⁸ The new realities we face demand a sense of urgency. We will be forced to make transformational decisions more quickly than in any time in our history.

Conclusion: The Unity in Community

Shifting finances, changing demographics, global competition, and increased accountability—these are the new realities that we will continue to face even after the economy stabilizes. They are not insurmountable, provided the University emerges strong from its current challenges.

We’ve faced such challenges before—most recently in 2003, when we received a state base budget cut of \$185 million. In my inaugural address that February, I called upon the University to be a partner for the public good. We adopted a strategic plan that renewed our commitment to excellence and our public mission, expanded core academic programs, and improved service to students. We reorganized and reduced spending. We consolidated and eliminated programs. We committed private and internal support to create a national model for scholarships for low- and moderate-income students. We secured significant state and private funding to build 21st century research laboratories and learning environments. We strengthened sponsored funding and technology transfer, and we began to leverage existing assets to create long-term financial

⁷ Coffman, Lotus. “The Administration of Research During the Depression.” *The Journal of Higher Education*, Vol. 5, No. 1, January 1934, pp. 1-6.

⁸ Miller, Matt. *The Tyranny of Dead Ideas*. New York: Times Books, Henry Holt and Company, LLC, 2009, pp. 231-232.

resources. But most importantly, we met the challenges of the day as a community, and we emerged stronger.

The importance of community cannot be overstated. In 1921, with the University facing a \$3 million cut to its proposed budget, the *Alumni Weekly* declared, “The crisis is upon us. It is impossible to believe that any thinking person is willing to see the University retrograde to the position of institutional mediocrity.”⁹ Nearly 4,000 faculty, staff, students and alumni demonstrated on University Avenue, and they made themselves heard: the cut was reduced to just a few thousand dollars. Years later, University historian James Gray wrote, “The significance of the faculty-student-alumni uprising lay in the spontaneity with which widely dispersed groups of citizens came together to express faith in the University and in its purpose.”¹⁰

That faith and sense of purpose remain strong today. In 1861, President Abraham Lincoln urged a struggling nation toward unity by appealing to the “better angels of our nature.” In recent months, we’ve heard the echo of those words, and many of us again feel the desire to make a difference on behalf of our community and our country.¹¹ We have the opportunity to do so—right here; right now.

In the depths of the Great Depression, President Coffman wrote:

It is my opinion that the universities of America never had such a unique opportunity as they now possess to serve the society of which they are a part ... Surely they cannot ignore the sweeping changes that are going on all about them; they cannot set themselves apart from the life that sustains them.¹²

Today, we too must choose to serve. Our colleagues and communities, our students and our state, need a strong University of Minnesota—and although we cannot change the weather, we will not change our course. The storms we face today are serious, but momentary. True change is coming—it is our response that will shape our legacy.

Thank you.

19. QUESTIONS TO THE PRESIDENT

Q: In the March 1 email, the President mentioned a few cost-reduction initiatives. One of those is a recommendation to the Regents that would require a 25 percent contribution from employees in the Regents Scholarship program. The University has projected that it would save \$2.5 million dollars. As a full-time employee, she has been fortunate enough to return to college through the College of Continuing Education and use the Regents Scholarship to work towards an undergraduate degree. However, as a single mother, paying 25 percent of the tuition is an unaffordable expense and she would no longer be able to attend school. Essentially, there would be no cost savings, just an empty seat in class. She respectfully ventures to say that she is not alone in this situation. The cost-saving projection is inaccurate and does not take into consideration the reality of working adults who, when faced with the choice of paying the mortgage, buying groceries, or attending college, would cut out the higher education expense.

⁹ Gray, James. *University of Minnesota: 1851-1951*. Minneapolis: University of Minnesota Press, 1951, p. 267.

¹⁰ Ibid, and Gray, James. *Open Wide the Door: The Story of the University of Minnesota*. New York: G. P. Putnam’s Sons, 1958. pp. 131-132.

¹¹ Lincoln, Abraham. First Inaugural Address, March 4, 1861.

¹² Coffman, Lotus. “The Administration of Research During the Depression.” *The Journal of Higher Education*, Vol. 5, No. 1, January 1934, pp. 1-6.

She has certainly been grateful to this institution for this opportunity, as attending classes has been the greatest gift she has given herself in her adult life. Will the University reconsider this option?

A: He knows that this issue weighs heavily on the University community, but the facts are the facts. This program was started in 1966 for two employee groups, civil service and bargaining units. The program permitted two percent of the cohort group to access free classes based on an empty-seat model. At that time, the state also provided two-thirds of the cost of instruction. Under that model, only 200 employees would be able to participate, versus the 2300 that do today.

This program now costs \$9 million per year and it does have a cost to the University. It is charged against the fringe benefit pool so that revenue can be returned to the colleges and departments which teach the classes. This program is growing at a rate of 10 percent per year.

This is a hard decision for the Regents and administration as he has been a strong supporter of this program. However, 50 percent of employees who finish their degree leave the University, and they are not asked to pay back the cost of the investment. He does not believe that employees should pay back this cost, since this is the University's investment in the future of the state.

With tax credits that have recently been approved, the cost is offset. He also sees this as a matter of fairness to the students who have watched the cost of education increase dramatically in the past few years. There are core principles on the President's website, which are about protecting the academic quality of the University and issues of affordability. Running throughout all these principles is a deep and strong commitment to maintain the talented workforce at the University, which is not possible to do without funding. The \$2.5 million savings equals almost 45 jobs at the University, so every dollar being saved is a way to protect the future of the University.

He would prefer to not make these types of decisions to balance this budget, but this is the deepest budget reduction that the University has experienced, or is likely to experience, in the foreseeable future. Every cost needs to be considered this year. He asked if there is a way to structure this program while still saving the same amount. If this can be found, it will be done. However, he can not leave the program structured the way it is when student tuition is increasing.

Q: Comments made today and in an earlier email have focused on several key points, specifically transparency, shared governance, accountability, and shared sacrifice. The process by which decisions are now being made is opaque and wholly top-down; central administration declares what decisions it will perpetrate upon the University, and then invites questions. This is not transparent or a model of shared governance. If the University community has no role in the processes whereby decisions are made, then there is no stake in these decisions and they will not be supported. With regard to accountability, much is heard but it is usually directed at faculty and instructional staff. The administration also needs to account for how it spends the University's funds and what students and the state are receiving for the vastly increased expenditures on administration in the past several years. Students are paying more but only receiving more administration, not education. When and how will the administration share the sacrifice, such as through a salary cut or cap of \$250,000 per year? What is being planned to cut administration and reduce its burden on the University's finances?

A: While he respects her views on shared governance and decision-making, he noted that everything that the University does is done publicly. However, when a budget needs to be balanced with a \$200 million reduction in the base budget, there is not lots of time to make these

cuts. The federal stimulus funds will not provide much relief as they are one-time funds and create an enormous cliff in three years.

He knows that there is angst about how the Graduate School plans were announced, but he acknowledged that this could have been handled better and engaged more people in the process. He is listening to these concerns, and notes that work will be done together to implement changes and ideas. There will not be a diminishment in shared governance, but at the end of the day, some of the decisions need to be made. By Regents policy, the President is responsible for organizing the administration. This entity continues to be trimmed, since in 2003 administrative units received the larger cuts to protect academic budgets, and they will be asked to participate in cuts again this year.

Some administrative increases are also a direct result of the University's productivity, such as new grant regulations, responsibilities, and compliance accountability. He will watch that every dollar being spent is spent wisely, while still reducing administrative costs and overhead. Many of the changes for the Graduate School are to reduce costs and decentralize responsibilities when there are great redundancies in the system.

Sometimes it is necessary to make a decision and then engage the community in assessing the decision and implementing it appropriately, but he agreed that a shared governance model is necessary to the process of shared sacrifice, which will include administration.

Q: How can the University system do a better job to highlight the differences between the campuses? Too often, campuses within the system are all competing for the same students and moreover, those same students are not aware of the other options within the system that might fit them better.

A: This has been made a priority by Senior Vice President Jones for this year and is one reason that he suggested instituting a common application portal to the University. This would allow the student to submit one application and have it submitted to multiple campuses. Each campus has a unique academic profile, so a better way needs to be found to work as a system and leverage joint resources.

20. UNIVERSITY SENATE ADJOURNMENT

The University Senate was adjourned at 4:00 p.m.

Rebecca Hippert
Abstractor

2008-09 UNIVERSITY OF MINNESOTA

MARCH 5 2009

STUDENT SENATE MINUTES: No. 3

The third meeting of the Student Senate for 2008-09 was convened in Studio C, Rarig Center, Minneapolis campus, on Thursday, March 5, 2009, at 11:30 a.m. Coordinate campuses were linked by telephone. Checking or signing the roll as present were 39 student members. Chair Ryan Kennedy presided.

**1. STUDENT SENATE NOMINATING SUBCOMMITTEE
Approval of Appointed Senators
Action**

MOTION:

That the Student Senate approve the appointment of the following Twin Cities student senators:

Kathryn Holahan – College of Liberal Arts

Kisa Pearson – College of Liberal Arts

Kenny Smith – College of Liberal Arts

Chelsea Stein - College of Food, Agricultural, and Natural Resource Sciences

DISCUSSION:

With no discussion a vote was taken and the motion was approved.

APPROVED

**2. ADMINISTRATIVE RESPONSES TO SENATE ACTIONS
Information**

Resolution on a Tuition Cap

Approved by the: Student Senate December 4, 2008

Approved by the: Administration PENDING

Approved by the: Board of Regents – no action required

Resolution on a Twin Cities Campus Smoking Ban

Approved by the: Student Senate February 4, 2009

Approved by the: Administration PENDING

Approved by the: Board of Regents – no action required

**3. LEGISLATIVE FORECAST AND BIENNIAL BUDGET REQUEST
Discussion**

Donna Peterson, Associate Vice President in the Office of University Relations, joined the meeting to provide updates on the 2008 biennial budget request to the legislature since the Student Senate's December meeting. The legislative session began in January with the release of the Governor's budget. He reduced the University's budget by \$75 million per year for the biennium. This is in addition to a \$2 million reduction in the previous session and on-going University costs of \$55 million. This amounts to a \$130 million challenge.

This week Tuesday, the February budget forecast was released by the state's economist, Tom Stinson. It provides a snapshot of expenses and revenues for the state based on current law for the next two years. This forecast predicted a shortfall of \$6.393 billion, which is an increase over the November forecast.

Affecting this amount is funding from the federal stimulus package in the amount of \$1.8 billion to the state in the area of medical assistance. This will lower the state's budget shortfall to \$4.567 billion. While the federal stimulus funding is great for helping deal with the downturn in the economy, it is only one-time funds.

Additionally in the federal stimulus package, there are dollars labeled "state fiscal stabilization fund," which come to the state for the purpose of K-12 and higher education. This is one-time money again, used to substitute for state cuts in funding, so the University needs to determine how to budget not using these funds for permanent, on-going costs. These funds contain guidelines on how the funds are allocated, how much K-12 or higher education could be cut, and what is the maximum amount permissible from this fund.

At a meeting last night of the joint House Ways and Means Finance Committee, Tom Stinson presented the budget forecast, along with some other information. One is that the state's job level is equivalent to the level of 2001. In the projection for coming out of the recession, the state will not regain its pre-recession job-level until late 2010.

In other years with these downturns, there was a belief that funding would be available in the next biennium. Most people at the capital are concerned that the forecast will not improve in two years, and might even be worse.

At the state, the next step is the Governor issuing a revised budget in 10-14 days. This will show how he projects the use of the stabilization funds. The President had a conversation with the Governor yesterday and asked him to think about lowering the \$75 million cut. While the University should not be exempt from all cuts, the President reminded the Governor that the University is part of the economic solution of the state. If funds are not available to fill faculty research positions, at a time when the federal government is putting more funds into research grants, then the University cannot compete for these funds. Then the University and the state lose out on these funds.

The next step will be the legislatures preparing their budgets, sometime in early April. Most legislators are talking about finding other sources of income for the state and that this shortfall cannot be done entirely through cuts. Additionally, they want to balance the budget through the next biennium as well.

There is speculation that this year's budget will take longer than May 20 to come to an agreement, since the Governor does not believe in raising taxes. He did propose shifting a K-12 education payment from this biennium into the next and selling bonds that would be paid with tobacco income funds. He is concerned about how deep cuts can go, but he and the legislature will need to find middle ground to solve this shortfall. Whatever decision is made, it will affect everyone in the state.

Q: What can students do the help lobby legislators?

A: The Legislative Certificate Program advocates have helped in testifying and attending hearings. Student Lobby Day was also terrific since it was a way for students to contact their legislators. Emails and letters, to legislators from students and their parents, can influence these decisions since legislators remember the students' personal stories.

Q: The roadblock this years seems to be the Governor. What can be done to persuade him?

A: Individual legislators with strong feelings, and a relationship with the Governor, can influence his decisions.

Q: In the last six years, has the Governor lowered taxes or kept them stable?

A: State taxes have remained stable, although some fees have been introduced. This year, the legislative focus seems to be on raising income taxes on the top tier or expanding the sales tax to cover more items. The sales tax shift is a way to look ahead to see where dollars are being spent, which appear to be on services and clothing, and provide more revenue for the state in the future.

In closing, Donna Peterson said that for more information, a document on the economy of the state is available on the Minnesota Management and Budget Office website.

4. COUNCIL OF ACADEMIC PROFESSIONALS AND ADMINISTRATORS UPDATE

Pamela Stenhjem, Chair of the Council of Academic Professionals and Administrators (CAPA), reminded senators that academic professional (P&A) employees are a classification between faculty and civil service/bargaining unit employees who do faculty-like work. The University is the only institution to have both P&A and civil service employees on its University Senate.

The biggest item facing all employees is a proposed change to the Regents Scholarship benefit. This scholarship allows employees to take courses for free and receive a degree. Because of budget constraints, there will be a 25 percent cut to this benefit. The program costs the University \$9 million per year, and the proposed cut will be permanent.

The problem is that the larger user group of this benefit are civil service and bargaining unit employees, who are also the lowest paid employees and working on an initial bachelors degree. This cut will disproportionately affect these two groups, but there has also been an outcry from P&A employees. A faction of constituents have put together letters to the President and are organizing petitions.

Pam Stenhjem stated that employees know that it costs students more each year to attend the University, but under the proposed plan, those costs will also be passed onto employees. The fear is that the increased costs will prohibit employees from being able to take classes and receive their degrees. She is hoping that a compromise can be found on how to enact this change, such as a waiver for first undergraduate degree users. Otherwise this will be a factor in retention and attraction of employees, since many take a lower salary in exchange for these types of benefits.

Q: How long has this program been in place and how many employees use the benefit?

A: She did not have this information with her, but suggested that senators review the last set of Faculty Affairs minutes. Vice President Carol Carrier joined the meeting to discuss the benefit.

She said that the University is the biggest employer in the state and is thriving in this recession. Being one of few businesses in the state that is thriving, making cuts jeopardizes the future success of the University and the state.

5. STUDENT SENATE/ STUDENT SENATE

CONSULTATIVE COMMITTEE CHAIR REPORT

Ryan Kennedy, Chair of the Student Senate/Student Senate Consultative Committee (SSCC), thanked senators for being active and involved in discussion this year. A topic he is exploring is students becoming more of a force at the legislature. He has been at the capitol frequently this session, and has been able to interact with the other state-wide student associations. These groups have a legislative presence representing and lobbying on behalf of the views of students. He reminded senators that the Student Legislative Coalition (SLC) was started within the Student Senate.

6. ASSEMBLY/ASSOCIATION UPDATES

Crookston – Marshall Johnson said that Crookston had 81 students at Support the U Day. Yesterday was spring convocation with 350 students and faculty. The speaker was state auditor, Rebecca Otto, who talked about sustainability and women's history. CSA is working on guidelines for this year's transition process. The student fee budget was just passed, with only a \$4.00 increase over last year's fee. Research is being done on tray-less dining, although students are not fond of the idea.

Duluth – Katie Best said that UMDSA's smoking policy survey was sent Monday and has already received over 2600 responses. Duluth also had 30 students at Support the U Day.

Morris – Kathy Julik-Heine said that Morris had 70 students at Support the U Day and is trying to maintain momentum by writing to legislatures. MCSA had a constitutional review committee working the past year and students are now voting on the revisions. This past weekend, the \$143,000 technology fee was allocated. The Morris Assembly is revising the mission statement in light of strategic planning.

Graduate and Professional Student Assembly – Jeffrey Anderson reported that GAPSA's energy has been spent on the proposal to close the Graduate School. As this will also affect Duluth, a contact person on that campus is being sought. Elections will be held in April.

Minnesota Student Association - Mark Lewandowski noted that 150 students were at Support the U Day. MSA's projects include a grant program, a student concern forum, April's Lend a Hand, Hear the Band event, and a free tax preparation program. Item 8 on today's agenda was approved by MSA on Tuesday.

7. STUDENT SENATE STIPENDS Action

FOR INFORMATION:

The Student Consultative Committee, less its stipend-receiving members, shall review the performance of duties of all stipend-receiving members and vote on the approval, reduction, or withholding of the portion of their stipends allocated for spring semester. A two-thirds affirmative vote by the Student Consultative Committee is required for modification of stipend disbursement.

The Student Consultative Committee recommendation shall be presented to the Student Senate for approval at or before the Student Senate's last regular meeting of spring semester. Stipend receiving persons have a right to answer questions about or speak regarding the Student

Consultative Committee's findings at this meeting if they so chose. A two-thirds vote of the Student Senate is required to modify the Student Consultative Committee recommendation.

MOTION:

The Student Senate Stipend Review Committee has reviewed the performance of the following stipend-receiving students: Ryan Kennedy, SSCC/Student Senate Chair; and, Marshall Johnson, SSCC/Student Senate Vice Chair. The recommendation from the committee is that:

- Ryan Kennedy receive \$500.00 of the \$500.00 spring semester portion of his stipend
- Marshall Johnson receive \$250.00 of the \$250.00 spring semester portion of her stipend

COMMENT:

The Review Committee felt that both students fulfilled the duties associated with their positions and therefore should receive the full spring semester portion of their respective stipends.

**ALICIA SMITH, CHAIR
STUDENT SENATE STIPEND REVIEW COMMITTEE**

DISCUSSION:

With no discussion a vote was taken and the motion was approved.

APPROVED

**8. RESOLUTION ON TRANSPARENCY
FOR THE UNIVERSITY OF MINNESOTA LEADERSHIP
Action**

Resolution on Transparency for the University of Minnesota Leadership

Whereas during these difficult economic times the University of Minnesota is going to have to make difficult decisions to accommodate budget restrictions, and

Whereas the announcement regarding the dissolution of the Graduate School at the University of Minnesota occurred in a manner with little transparency or discussion with faculty, students, and staff, and

Whereas large changes to structure without transparency and discussion leads to mistrust in the administration, decreased morale, and greater possibility for inefficient changes to occur;

Therefore be it resolved that the University of Minnesota leadership take renewed diligence to consult with faculty, students, and staff regarding substantial changes to the University of Minnesota's graduate, professional, and undergraduate programs and services,

Be it further resolved that the administration release a report detailing the University's financial goals and the ways that restructuring processes will meet and exceed those goals.

Authored by: Peter Gloviczki, Geoff Hart, Boyd Cothran and Kristi Kremers

JOAO BOAVIDA, SENATOR

DISCUSSION:

Q: What will happen to this resolution if it is approved today?

A: All items passes by the Student Senate are sent to the administration for a response. Approval today would also show solidarity with MSA and GAPSA, who have approved this resolution.

Q: Is there a timeframe for a response?

A: In the case of the Graduate School, the decision has already been made and a report is due April 17 from the implementation task force. Public consultation will then be solicited. This resolution does not ask for a response separate from the normal one received.

A senator remarked that students are being asked to lobby on behalf of the University for the state, but then students are not being involved in the decisions that are made.

Q: How will the task force report be distributed?

A: It will be available on the Provost's website after April 17.

With no further discussion a vote was taken and the motion was approved.

APPROVED

9. RESOLUTION ON OPPORTUNITY MINNESOTA Action

Resolution on Opportunity Minnesota

Whereas, it is important for University of Minnesota students at all campuses to come together and work collectively on legislation that benefits all students; and

Whereas, the Minnesota State University Student Association and the Minnesota State College Student Association are already supporting this legislation; and

Whereas, two-thirds of Minnesota students graduate with debt, and that debt averages \$21,000¹³; and

Whereas, by offering a tax credit for college loan repayments, "Opportunity Minnesota" allows college graduates to contribute more to the state's economy earlier in their post-college lives; therefore be it

RESOLVED that the University of Minnesota Student Senate endorses the "Opportunity Minnesota" legislation.

FOR INFORMATION:

What is the problem?

Increasing tuition costs, combined with a struggling economy, have left more and more students with a rising amount of debt when they graduate from college. As of 2006, over two-thirds of

¹³ Minnesota Measures 2008, Minnesota Office of Higher Education

seniors graduating from Minnesota's public universities have student loan debt, with that debt averaging \$21,000.¹ Our state's economic growth is slowing and unemployment rates are rising, creating fewer jobs that have the ability to revitalize our economy.

What is the solution?

Decreasing student debt relieves an unnecessary burden on Minnesota's youth and their families. By finding a comprehensive solution that can lower debt for graduating college seniors, jumpstart our state's economy, and help insulate Minnesota's economy from national recessions in the future, we can take great steps towards turning recent trends around.

What is Opportunity Minnesota?

Opportunity Minnesota is an innovative piece of legislation based off of a bill that passed Maine's legislature overwhelmingly in 2007. It relieves student loan debts for Minnesota residents that have graduated from a Minnesota higher education institution and continue to work in the state following graduation. This is designed to remove a large barrier that prevents many Minnesotans from attending college and also retains a strong work force for the state.

How can we pay for it?

Starting the program will require some upfront costs that can be paid for through a variety of methods: the state's higher education budget, alternative revenue sources, the nonprofit community, and others. After just a few years after the implementation of Opportunity Minnesota, the economic benefits of the program will outweigh the costs to operate it. At this point, the state could choose to start paying for the program or examine alternative funding sources that could continue the program.

**RYAN KENNEDY, CHAIR
STUDENT SENATE CONSULTATIVE COMMITTEE**

DISCUSSION:

Ryan Kennedy, Chair of the Student Senate/Student Senate Consultative Committee (SSCC), said that this resolution addresses the advocacy role he discussed in his report. This legislation has been endorsed by MSA, UMDSA, the Minnesota State University Student Association (MSUSA), and the Minnesota State College Student Association (MSCSA). If this resolution is approved, all of the public institutions in the state would work together to lobby for its support.

Q: Would graduates of private colleges be included?

A: Yes, but their tuition repayment would be capped.

Q: Is there a cap for all colleges?

A: Yes, the cap would be similar to the tuition rate for the Twin Cities campus. It would cover repayment of subsidized loans.

Q: What are the files numbers and authors?

A: For the House, it is file number 51 and the author is Representative Thissen. The Senate bill is waiting for an economic analysis, so the file number will be available next week, but Senator Tomassoni will be the author.

Q: Is Minnesota residency a stipulation of the bill?

A: Yes.

Q: What is the cost to the state for this program,?

A: The economic analysis will be out at the end of next week. Using Maine's calculations, the program will cost about \$10 million for the first year.

Q: How is the tax credit calculated? Is it a percentage of a student's debt or a set amount across all students?

A: The tax credit would cover loan repayment for Stafford, Perkin's and Direct loans.

Q: What is the timeline for these bills?

A: It is unlikely that the legislation will be passed this year, due to the economic forecast, but the hope is to get hearings this year and form a coalition for passage next year.

Q: Is the payback rate based on the current tuition rate or the tuition rate when a student was in school?

A: It would be in relation to the cost of tuition when the student was in school.

Q: Is it based on each year's tuition versus a single dollar amount?

A: Yes, it is based on each year's tuition, in reference to state statute.

A senator commented that the bill should probably be labeled as a tax cut to receive the Governor's support.

Q: In Maine, funding was public and private. Would this be an option?

A: Yes. Maine sought support in the form of endorsements. The Maine program is designed to pay for itself in three years and has recouped the start-up cost by the seventh year.

With no further discussion a vote was taken and the motion was approved.

APPROVED

10. OLD BUSINESS

NONE

11. NEW BUSINESS

NONE

12. ADJOURNMENT

The Student Senate was adjourned at 12:39 p.m.

**Rebecca Hippert
Abstractor**