

Minutes\*

**Senate Committee on Finance and Planning**  
**Tuesday, May 28, 1996**  
**3:15 - 5:00**  
**Room 238 Morrill Hall**

Present: Fred Morrison (chair), Thora Cartlidge, Craig Dexheimer, Kathy James, David Kittelson, Gerald Klement, Richard Pfutzenreuter, Doris Rubenstein, James VanAlstine

Regrets: Karen Karni, Patrice Morrow, Charles Speaks, Craig Swan

Absent: Allen Goldman, Roger Paschke, Peter Robinson, Steven Thelen

Guests: Halil Dundar, Darwin Hendel, Jane Whiteside (Academic Affairs); Provost W. Phillips Shively, Vice Provost Louise Mirrer (Arts, Sciences, and Engineering); Assistant Vice President Paul Tschida, Bob Baker (Parking Services)

[In these minutes: Critical measures; Integrated Framework progress report; Undergraduate Initiative II; parking and transportation]

## **1. Critical Measures**

Professor Morrison convened the meeting at 3:20 and welcomed Drs. Dundar, Hendel, and Whiteside to discuss the revisions of the third-phase critical measures. He recalled that the Committee had seen the earlier versions and said he understands that some sort of action by the Committee is requested. Dr. Whiteside said the Committee could endorse the measures by consensus; Professor Morrison affirmed that the Committee's views would be carried to the Senate Consultative Committee.

Dr. Whiteside reviewed the changes that were made in the measures since the Committee last saw them. They added language about interactions with the community with respect to land and made major changes in the measure of student services. The latter they have tried to make more meaningful.

Dr. Hendel said the changes, based on many conversations, focus less on the percentage of students who use electronic systems for registration and financial aid and focus more on outcomes, on how the University helps facilitate student progress to a degree. There are two elements to the measure: (1) student evaluations of the effectiveness of academic advising and career planning and (2) student use of the Academic Progress Audit System (APAS), which pulls together curricular and other requirements a student must meet in order to graduate. APAS is the technical support for progress to graduation.

Committee members discussed APAS. It is not fully implemented anywhere, but is being used in the Medical School and at Morris. A lot of work is required to have graduation requirements for each

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unit programmed in. Using progress to a degree as a goal is acceptable; this measure is troubling. A checklist with 300 copies costs \$9.00; to program computers for APAS with graduation requirements costs \$2000. Is that sensible?

The difficulties vary with the discipline, Dr. Whiteside pointed out; the measure does not take that variation into account, it was said. This is not a good measure unless it applies to each and every college and department without exception. There will have to be computer programming for a graduate program with 12 students. Is that sensible? Or is it a waste of money?

APAS can do things a checklist cannot, Dr. Hendel pointed out, such as inform a student of the implications of changing majors. What a student used to do by looking things up in a catalogue, said one Committee member. The negative view of APAS is that in the old days one could go to a hardware store and buy six nails; now one has to buy a package of 50 and throw away 44.

The system is being used at Morris, it was reported, and with great profit. It reduces the time faculty need to spend reviewing programs, and it helps students with two-year planning, which aid retention. They can see their entire program, what they've done, what they have to do. It works well on a campus with a reasonable number of students, responded another Committee member, but not in a program with 12 students.

APAS will be a critical tool in the change to semesters, said one Committee member, and will allow individual advice to students on what to do. It has been implemented at Morris and Duluth and other colleges intend to use it for semester advising. The Graduate School is interested, but it is less of a concern there because there is so much variation in how a student can put a program together. Some units do not plan to use APAS; the Law School is one such unit. APAS is an extraordinarily valuable tool, it was said, but whether or not it should be a critical measure is open to question, especially if some units do not use it.

APAS can be used as a tool, said one Committee member; the concern in using it as a critical measure is that it will substitute for decision-making. If the critical measure is the percentage of students using it, then those NOT using it will not be right. Dr. Hendel suggested that the measure be applied only to units using APAS.

One Committee member said the concern about the entire set of critical measures is that it is oriented to undergraduate education and does not account for the differences in graduate and professional education.

It was also noted that in the student services measure, it had been suggested that employment of graduate assistants and use of the Graduate Assistant Office would be included. Dr. Hendel said it would be added.

Following brief additional discussion, and hearing no motion, Professor Morrison said he would report to the Senate Consultative Committee that the Finance and Planning Committee had considered the critical measures, made comments on them, and was happy to have them go forward.

## **2. Integrated Framework Progress Report**

Professor Morrison turned to Mr. Pfutzenreuter, who distributed a handout concerning the Integrated Framework. When asked what Integrated Framework (hereinafter IF) means, Mr. Pfutzenreuter said, he responds that it is common sense. The Regents' Auditing Committee has spent a lot of time on the IF, and the President has made a commitment that the University will adapt to the IF for decision-making.

Mr. Pfutzenreuter noted the discussions that have taken place around the campus about the IF and that the University Plan mentions it both for financial as well as programmatic planning. The next steps are to refine the IF and communication about it. They have told the Board of Regents there are two approaches that would be pursued: the Board is interested in seeing programmatic as well as financial information, and there will be a proposal evaluation process.

The proposal evaluation process does not reinvent everything, even though the terms are new; the IF has the same discussion criteria that were developed several years ago (centrality, quality, relative advantage, etc.) They are to resurrected, given more visibility, and used more consistently. There have been proposals that reached the Board, it has been felt, because there are no criteria to evaluate proposals. There is a need for a consistent process to evaluate proposals, under the umbrella of the IF.

The proposal evaluation process establishes a framework on what to bring forward, to incorporate what the Board of Regents wants to see and what they should take part in. It includes establishment of formal guidelines for analysis of proposals and a decision framework for bringing them forward, fostering more effective risk assessment/analysis, improved accountability and oversight, and enhanced internal communications.

The standardized basis for evaluation relies on the decision criteria that one Committee member observed have been around for a long time: quality, centrality, comparative advantage, efficiency, effectiveness, risk factors, and demand; risk factors has been added to the original list, and an institutional perspective will be brought to it as well.

A standardized decision framework begs the question of how far a proposal should go. If to the Board, the Board has said it wishes to see proposals evaluated in terms of the criteria. But that does not mean all proposals should go to the Board. Mr. Pfutzenreuter drew the attention of Committee members to a graphic which suggests that as the level of detail increases, the responsibility and delegated authority should decrease, so that something reaching the Board of Regents would not have the level of detail that a department head would be responsible for. The delegation of authority at present, however, is not clear even to Board members. For the Board to be effective, however, it will have to decide what it wants in terms of detail; there appears not to be a consensus among Board members on what is desired.

The IF and decision-making must be fixed through a delegation of authority from the Board of Regents, but the Board has never made a decision. One hears from the provosts, for example, that they receive decisions that they should not have to make; what criteria should be used? It is not a black and white issue.

One Committee member suggested there be two more boxes in the flow chart for decision-making.

One would be a general financial/risk analysis; the chart applies to state funding, but there will be other ways to generate revenue. If one is talking about O&M funds, centrality, etc., are more important. If research funds, quality and advantage are more important. There should be an assessment of financial impact, depending on the source of the funds, how secure they are, and what the risks are. The second box should be for consultation; there should be something akin to required clearances before action can go forward. This would certainly include the governance structure, but should also include the comptroller, ORTTA, and other units in the University.

Mr. Pfutzenreuter, referring again to the graphic proposing a decrease in detail as level of authority increases, said it will be a struggle to get people to discuss and decide what should stop at the president, at the provost, at the dean, and what should go to the Board of Regents. One way to proceed would be to develop a checklist, a draft of which was in the handout. In some cases, people intuitively know what should be brought to the Board; in others, there is not agreement.

Whatever is developed must start with the Board of Regents; the system will not work unless the Board agrees to the proposals, so that if a decision meets certain criteria, it will be brought to the Board, and if not, it will be delegated to the Executive Council and the President. This is not simple, and a checklist may not be the right way to go, Mr. Pfutzenreuter said.

The next step is to refine the process and use a test case to apply the criteria. They are considering using the request by the Master's in Hospital Administration program to leave the School of Public Health and join the Carlson School. This would cross provostal lines; the question is whether it would stop with the Executive Council or should also go to the Board of Regents. (It would routinely, said another Committee member, because the Board must approve new degree programs, but there could be other reasons for bringing it to them as well. Another Committee member said the Board SHOULD be involved in establishment of new programs.)

One Committee member said that the checklist looked a lot like BA Form 23, many parts of which work well, and that it also resembles the front of federal grant applications. Those two items should be looked at for refinements. Another Committee member urged that each of the items on the checklist should be one level higher than proposed; for example, the provosts and chancellors should not have the authority to approve acquisition of new physical facilities, or change enrollment patterns across provostal units, or make commitments for long-term capital financing. Everyone is put at risk by these decisions--that has been the problem.

One can understand the need to clarify who makes decisions, said one Committee member; who makes the decision who decides? That is everyone's responsibility, Mr. Pfutzenreuter said; the department head is responsible for sending a decision to the dean if it is the dean's responsibility to decide. All must take responsibility or the system will not work, and that includes the Board of Regents. If the Board directs a decision be brought to it without analysis, all will become cynical. This happens frequently; if the Board will not follow the protocol, why should anyone else? One Committee member observed that someone had the responsibility to consult on transportation; if that is not done, it also leads to cynicism.

Asked what he wished from the Committee, Mr. Pfutzenreuter said that comments on the criteria would be helpful. Asked what the current criteria are, he said they were set by Mr. Middlebrook.

One Committee member recalled that the transition documents (for the change to the provostal system) contained detailed descriptions of levels of responsibility. The problem, replied another, is that they gave all the responsibility to the lower levels and all the authority to higher levels. Mr. Pfutzenreuter said they were thinking about redoing those documents. Another Committee member commended this effort, noting that a lot of corporations are reviewing responsibility and decision-making in an effort to reduce the time required. The checklist will probably have to go through a number of revisions. It was agreed that the transition documents would be provided to the Committee.

Mr. Pfutzenreuter reported that he has promised to bring this back to the Audit Committee in July.

### **3. Undergraduate Initiative II**

Professor Morrison next welcomed Provost Shively and Vice Provost Mirrer to the meeting to discuss the Undergraduate Initiative II.

Provost Shively began by commenting on the proposition that responsibility for decisions rests with lower levels but authority at higher levels. Everyone sees something different in the Integrated Framework, he observed, and it is cited so often that there is risk it will become devoid of meaning. Part of the intent is to put responsibility at the lowest appropriate level and to establish monitoring at the highest levels. There is also an important central staff function of auditing, monitoring, and training, so that central officers are brought the risks and the problems. The delegation of responsibility is as far down the line as possible, with authority and accountability at high levels and with alert staff and training functions at all levels. Culture is more important; rather than having multiple signatures on a document, there must be a culture of responsibility, and maintenance of good relations with the auditors so they are perceived as offering help, not trouble.

The concern with the transition documents, said one Committee, is that the department head is always making recommendations and the provost or president deciding.

Provost Shively then explained that the Undergraduate Initiative II is a broad set of proposals to improve undergraduate instruction and some parts of student life on the Twin Cities campus. Most items are implementation of existing recommendations, such as Council on Liberal Education requirements. The one new requirement is the "expanding worlds" proposal, which would require all undergraduates on the Twin Cities campus to have an academic internship, study abroad, or community service. This proposal will require action by the Twin Cities Campus Assembly, he noted.

All of these are proposals for legislative funding for the 1997-99 biennial request. The President has approved them as candidates for the request; it is their intention, Dr. Shively said, that none of them would be implemented without the required funding--that is the reason they have not been implemented thus far. The freshman seminar and intensive writing experiences will not come "out of the hides" of faculty and TAs, he emphasized. The proposals include a full costing out of the needs of faculty and TAs.

Dr. Mirrer consulted broadly; this is a well-thought-out set of proposals and a diverse set of improvements to undergraduate education. The costing of the proposals needs a little more work, Dr.

Shively concluded.

Dr. Mirrer then briefed the Committee on the logic behind the proposals, and in particular the expanding world proposal. She assured the Committee it was not designed to be onerous for students and that it should not cause a delay in graduation. She also outlined the steps they had taken to develop the intensive writing proposal.

Committee members offered a few comments:

- The number of PAID internships might be limited in the non-profit sector.
- A large percentage of the student body works through school; if a summer has to be spent in an internship, the problems students face could be exacerbated.
- The possibility of mentoring opportunities for graduate students should be considered.
- These programs have worked well at Morris--where, ironically, they are on hold because of a lack of funds.
- This proposal should be University-wide. (Provost Shively agreed.)
- The expanding world requirement is a tremendous idea; with students stopping in and out, would they see this as a hardship?

Dr. Shively said he and Dr. Zetterberg have debated the last point; Dr. Zetterberg thinks the requirement would be a hardship. His view, Dr. Shively said, is that if the University has curricular requirements, but provides a lot of opportunities to meet the requirements, they should not be a problem for students. The problem is that advising and the culture of the University do not include finishing a degree, and students are not defined as freshmen, sophomores, juniors, and seniors. It might be helpful to identify incoming students as "the class of 2002" in order to set expectations.

Provost Shively noted that the Twin Cities campus would be the first comprehensive research university to require internships or community service, and it would draw on the Twin Cities. There would be a wealth of projects, he said, and this would command the attention of the community; it could also become a signature for how the University operates.

It may be that not all the required funding can be obtained, Dr. Shively said. But this is a good set of proposals. If there will be a legacy from President Hasselmo's term as president, he speculated, it will be that the Twin Cities campus was turned around and became a good place for undergraduates as a place to study. These proposals would carry that mission further.

It was agreed that because the Committee had not had sufficient time to review the proposal, it would revisit the subject at its next meeting.

#### **4. Parking and Transportation**

Professor Morrison next welcomed Assistant Vice President Tschida and Mr. Baker to the meeting.

Discussion began with the transit redesign. Mr. Baker explained the steps that had been taken to seek advice on changes to the bus system. Faced with a funding reduction of \$200,000, they decided to amputate the Route 52 bus system and focus on the campus shuttle system. This would mean providing more frequent service and circulator routes on each of the campuses. Four of the 12 Route 52 routes are being phased out, and by 1997 they hope to have a "U pass" system with Metropolitan Council Transit Operations, which would entitle a holder to use a bus to go anywhere at any time.

Given that there would doubtless be financial issues surrounding the U pass proposal, it would be helpful if the proposal could be circulated to the Committee in advance of its presentation to the MCTO.

Mr. Baker explained the steps that have been taken to inform riders of the changes, and how they are dealing with the various problems that they expect or that have already arisen. One question asked was about the time it would take a rider to go downtown and catch a 16 to the University, which will be required if the Lake Street transfer is no longer possible. The MCTO says this will add 12 minutes to the trip.

The perception of bus riders, said one Committee member, is that it will add a lot more than that; people believe they will lose an hour a day. The impact of these changes on individual riders should be considered; for some, there will be significant dislocations. Have they looked at the possibility of increasing the fare or identifying other revenues to maintain Route 52? Mr. Tschida said they have not looked at individual riders because the problem is the numbers; he said they recognize that individuals will be adversely affected by the changes. One question that has been raised is whether the University should be in the bus business at all.

Mr. Baker affirmed that the University has been pushing the MCTO on destinations and has worked to see improved service to the University. It is in their interest to stay attractive to people, he noted; they will receive a financial windfall from increased ridership to the University once Route 52 is no longer operating. Other alternatives to forcing riders downtown are also being explored, he said.

One problem, said one Committee member, is that service reductions are being made without clear commitments in place to replace them. People will be cynical if, in the fall, the service has declined but promised improvements have not been made. Mr. Tschida agreed, and discussed the plans that are afoot.

People will start driving to campus, said one Committee member, so there will be more parking problems.

They should think about tradeoffs between parking and transit, said another Committee member; how much would rates need to be increased in order to fund the routes, and how much subsidy from parking would be required to increase ridership? This may not be a popular view on campus, but many universities have higher parking rates.

The burden of this change will fall largely on students, who will have to give up more time, it was

said. Students make foolish decisions about driving versus buses, it was rejoined; a decent system would not take more time, and it would cost students a lot less money. The Committee discussed with Mr. Tschida the issues surrounding use of buses, automobiles, and the interplay between the University and the Metropolitan Council.

Mr. Baker reported on information they had gathered from four other institutions that have a U-pass program; bus ridership went up in every case. He said he was confident there would be an increase were such a program to be offered here. One funding strategy is that if everyone is charged for it, as a kind of tax, some will conclude they ought to use it, at least occasionally, since they're paying for it anyway. One problem is that in three of the places studied, the transit systems focus on the university (Cornell, Wisconsin, and Colorado), not on a downtown. A transit system that focuses on the downtown will not have the same characteristics. The system in Seattle, Mr. Baker reported, is the oldest, and allowed Washington to reduce and cap its parking. Moreover, MCTO is very interested in the U pass program.

A question was raised about weekend service; the impression is that the changes will reduce it, working a hardship on students on the St. Paul campus. Mr. Baker assured the Committee that weekend service will be IMPROVED, not reduced.

Asked about funding, Mr. Baker affirmed that parking revenues had been used to subsidize the Route 52 system since about 1992. The funding has been 1/3 from the University, 1/3 from fares, and 1/3 from the Metropolitan Council. The on-campus bus system is funded entirely by the University.

For the U pass system, they should look not only at addresses of riders, it was said, but also the hours that students must be here. Graduate and professional students, for example, must often come early or stay late. It could be said not to be fair that parking subsidizes buses, when some people have no choice about driving.

Mr. Baker explained that being in parking and transit is a challenge, at a major university in a large city. They must deal with multiple constituent groups, including students, faculty and staff, and visitors, and have to perform a delicate balancing act to offer a program that makes sense in terms of service, economics, and the political environment.

Asked about the Carlson School project, Mr. Baker recalled that it was presented to the Committee last year. It was an initiative of Senior Vice President Erickson, and preserves underground access to the new Carlson School facility; there will be the option to build an underground garage and pedestrian tunnels to link a number of West Bank buildings. Both Messrs. Baker and Tschida agreed that had there not been a transfer out of parking funds for the Carlson School, there would have been ample funding to continue the subsidy of the Route 52 buses.

The Committee then briefly reviewed the budget of Parking and Transportation and the status of parking projects on the Minneapolis and St. Paul campuses. Mr. Baker affirmed that there are no parking reserves; those were all depleted, and they have only accumulated depreciation funds.

In terms of continuing consultation--which Mr. Tschida said they would like--Professor Morrison said there will be a subcommittee on support services established next year.



Professor Morrison thanked Messrs. Baker and Tschida for joining the meeting. Before he adjourned it, he recognized Mr. Dexheimer, who announced that because he would be graduating, this would be his last meeting of the Committee. He expressed appreciation for the experience; Committee members thanked him for participating. Professor Morrison then adjourned the meeting at 5:15.

-- Gary Engstrand

University of Minnesota