

Minutes*

Faculty Consultative Committee
Thursday, January 24, 2002
1:15 – 3:00
238A Morrill Hall

Present: Joseph Massey (chair), Muriel Bebeau, Susan Brorson, Arthur Erdman, Daniel Feeney, Richard Goldstein, Marti Hope Gonzales, Candace Kruttschnitt, Leonard Kuhi, Judith Martin, Scott McConnell, Paula Rabinowitz, Jeff Ratliff-Crain, Charles Speaks

Absent: Wilbert Ahern, Les Drewes, Marc Jenkins

Guests: President Mark Yudof

Other: Elizabeth Wroblewski (Office of the Chief of Staff); Amelious Whyte (Board of Regents Office)

[In these minutes: (1) the Institutional Review Board and the social sciences; (2) election of 2002-03 FCC chair and vice-chair; (3) discussion with the President (budget, capital request, searches, telescope on Mt. Graham, athletics; (4) personnel matters; (5) guns on campus; (6) statement on subsidies to Twin Cities athletics]

1. Institutional Review Board

Prior to the formal start of the meeting, Professor Kruttschnitt said she wished to raise the issue of the Institutional Review Board (IRB) and its impact on social science research; several Committee members agreed that the matter needed to be addressed. Professor Kruttschnitt and others noted the long time to complete reviews, and the seemingly minor complaints and "micro-management" that seems to sometimes characterize the committee's comments. She asked Professor McConnell if the Senate Research Committee is looking at the problems.

Professor McConnell said that it is planning to meet with Moira Keene (IRB Executive Director) and perhaps committee chairs. He said it was his understanding, however, that oversight of the IRB is outside the purview of the University; rather, it is intended to be a relatively independent board, by design of federal statutes and regulations. He said he would have a talk with Moira Keane, Director of the IRB, to find out how the IRB evaluates its performance, and what role there may be for faculty, staff, and student feedback on review substance and timelines. He noted that there appear to be more concerns among faculty in the behavioral sciences.

Professor Ratliff-Crain said he had recently read an article describing how IRBs work at different institutions--and they do not all do what is done at Minnesota.

* These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate or Twin Cities Campus Assembly; none of the comments, conclusions, or actions reported in these minutes represents the views of, nor are they binding on, the Senate or Assembly, the Administration, or the Board of Regents.

There is a serious problem when people's research is completely blocked by the IRB, Professor Kruttschnitt concluded. Professor McConnell mentioned that Ms. Keene will be attending a future meeting of the Research Committee, and invited Professor Kruttschnitt and others to attend if possible. Professor Massey asked that Professor McConnell involve Professor Kruttschnitt in the Research Committee's discussion of IRB procedures and that she participate in the response of that committee to the FCC.

2. Election of the 2002-03 FCC Chair and Vice Chair

The Committee next voted by secret paper ballot for the chair and vice chair for next year. Professor Feeney was elected chair; Professor Martin was elected vice chair. Committee members congratulated them.

3. Discussion with President Yudof

Professor Massey welcomed the President to the meeting. After congratulating Professors Feeney and Martin, the President turned to several items he wished to comment on.

-- The Committee needs to submit nominees to serve on the Commission on Excellence. Professor W. Andrew Collins, who had agreed to serve, will be unable to do so because of the times at which the meetings of the Commission have been scheduled.

-- The budget shortfall is something on which the President said he will say very little. He discussed briefly the politics of the upcoming legislative session.

-- The capital request recommendation from the Governor was not everything the University had hoped for. The University will work to achieve increased funding.

-- The search for the Librarian has been very successfully completed; an announcement will be made in the near future.

-- President Yudof said he wished to conduct a fast search to replace Eric Kruse as Vice President for University Services, and hopes to have a 5-member search committee that includes one representative from this Committee. With \$1 billion in construction underway, he told the Committee, he does not want the position vacant for long, so will ask for a streamlined search.

-- The issue of the telescope on Mt. Graham will not go to the Board of Regents yet; it is not ready. The University will do due diligence in examining the issues. The telescope is extremely important to the University's astronomy program. He will be in Arizona for other reasons in the near future and hopes to meet with those who are actually affected by the project (primarily the Apaches near the site). He said he did not know how long the consideration would take but that he will listen to what people have to say and he wants the University to do the right thing. If the Committee wishes to weigh in on the issue, he concluded, it will have plenty of time to do so.

Committee members then raised several matters with the President.

-- Professor Ratliff-Crain noted that the administration has asked units to be prudent about hiring, in light of the current budget uncertainties, but it may be that some units are hiring as quickly as they are able, anticipating a hiring freeze.

The President said he would not impose a hiring freeze (unless it turns out the University will be cut by \$100 million or some such large number). He said he has told the legislative leadership that a freeze would be a disaster for the University; it would affect teaching, research, students, grants, and other activities in disproportionate and perverse ways. He said he is leaving decisions about budgets and hiring to internal governance structures and the senior faculty of the units. He added that he could imagine a selective hiring freeze on the administrative side, but not in the colleges.

-- With respect to athletics, Professor Erdman said, it appears that there is a multiple set of solutions that could help solve the financial problems in athletics, such as determining the appropriate level of institutional subsidy, budget cuts, and increasing the amount of private funds flowing to the programs. He said he thought Indiana University President Myles Brand was courageous in calling for an end to the spending "arms race" in athletics, which faces all Division I institutions. The NCAA moves very slowly in addressing these kinds of problems. Could a group of university presidents make a statement to force a halt to the arms race and turn the situation around? That could be one way to address the forces that are endangering intercollegiate athletics.

The President said he has no problem with the idea and wants the arms race to end. He has said so. But it is a complex issue; if institutions cooperate, they will likely be subject to anti-trust action. He said that he personally believes a federal exemption from anti-trust laws would be the most effective way to proceed.

Moreover, the arms race is not as pronounced in the non-revenue sports--but they are the ones that are losing money. Football, men's basketball, and men's hockey make money; the arms race hurts when it leads to higher coaching salaries, more facilities, and so on, thus reducing the profit margins. There is a deficit in athletics, however, because of the subsidies required for the non-revenue sports. He said the issue of athletic funding needed additional thought and that any solutions will not be accomplished without substantial faculty and student support.

Professor Massey suggested that the President could play a powerful role in the CIC in cutting costs in athletics. The President said he would not mind taking a position but that it must be in context and any proposed solution must be one that works. Perhaps an anti-trust exemption should be proposed, although that is likely to encounter resistance from those in athletics. Such action would not, in any event, address the short-term budget problems in the University's Twin Cities athletic programs.

It was agreed that Professors Massey, Erdman, Borgida, and Koch would prepare a proposal to the President. Professor Erdman agreed to chair a subcommittee that would submit its recommendations to the President through the FCC.

-- There is considerable concern among faculty in several colleges that balances could be at risk, Professor Speaks said. He said it would be helpful if something were said; he said he fears perverse spending if there is a belief that balances could be swept.

Some portion of balances are at risk, the President said, and he has told the deans they are responsible for their balances--they should not go on spending sprees. He said it is difficult to imagine that colleges will be able to get through the current budget situation without touching their balances. If a college goes on a spending spree, it will still be responsible for absorbing some share of any budget reduction. If he were to say that balances are off limits, what else would the colleges do?

Would not the balances be a temporary band-aid, Professor Speaks asked, if there is to be a \$33 million cut in recurring spending? They would, the President agreed, but it might make sense to draw on them if it appears that the adverse financial situation is only temporary and funds from balances could be used to get through a bad year without having an unnecessarily negative effect on the unit. If the cuts are almost certainly recurring, then it might make sense to use less money from balances and use them as bridge funds to work out a more permanent budget plan. He said he would work with the Committee on Finance and Planning on the precise numbers, as events progress.

If the administration comes to colleges or departments for money, in the face of budget cuts, would the request be based on budget or on balances, Professor McConnell asked? Philosophically it would be based on budgets, the President replied; he does not want to create disincentives for units to have balances. But there is a confusing message, Professor McConnell said: one hears from the dean that one should be prudent with funds; will one then be punished for doing so? A message from the President could calm the waters and urge the benefits of saving.

The President agreed and said that this is an issue primarily for local control. If there are no balances (because a unit has spent them), but there is a bill to pay because of budget cuts, a unit will be in bad shape. He emphasized that HE will not look at balances but he may send a bill to the deans; THEY will have to look at balances, open positions, and so on, and decide how to respond. So the deans will have degrees of freedom in determining how to pay the bill, including using savings, Professor McConnell concluded; the President assented.

-- In terms of the work of the Commission on Excellence and any report it might make, Professor Martin noted that there had been an editorial in the STAR-TRIBUNE by the author of a book about cities saying that the best thing the state could do is make a massive investment in the University. She suggested that Vice President Gardebring's office should be sure that every member of the legislature has a copy of the editorial.

In addition, Professor Martin suggested, at a time when the budget picture is not positive, it would be helpful to have information from the past about the effect on the University of declining resources. Many of the deans and legislators now on the job were not here when the University last faced budget cuts; it would be useful to know what the effects were in the early 1990s when the last major reductions were made.

The President agreed, and reported that his article about a change in paradigm for funding of public universities is in high demand. There is a shift to high tuition; the University has proposed tuition increases of 26% in two years.

Professor Massey thanked the President for joining the meeting.

4. Personnel Matters

The Committee next dealt with three personnel matters:

- It agreed that Professor Erdman should represent the Committee on the search committee for the Vice President for University Services.
- It agreed on a list of individuals whose names would be forwarded to Executive Vice President Bruininks, from which he would identify a replacement for Professor Collins on the Commission on Excellence.
- It agreed that it would hear as soon as possible about a new faculty legislative liaison.

5. Policy on Guns on Campus

The Committee next turned its attention to a draft policy that would bar firearms on campus except for the police, the armed services (ROTC), and whenever the President's office chose to grant an exception. Professor Massey noted that the Student Conduct Code prohibits students from carrying firearms on campus but there is no parallel requirement for faculty, staff, or the public. The University is, however, subject to state law.

The Committee concluded that this policy was not necessary at this time. Professor Ratliff-Crain, who said that any policy should also include a blanket exemption for research and teaching and who was not enthusiastic about the policy in general, said he might have a different view if the legislature were to approve "conceal and carry" legislation.

The Committee did agree, however, that it wished to hear from Policy Chief George Aylward about guns on campus and about campus security generally.

6. Statement on Athletic Funding

The Committee was now provided copies of a statement adopted unanimously two days earlier by the Committee on Finance and Planning, which read as follows:

University Senate Bylaws, Article III, Section 8, provide that "The Finance and Planning Committee serves as the consultative body to the president and senior academic officers on all major issues of budget and planning, including the capital request." One of the duties and responsibilities of the SCFP is "to consult with and advise the president and senior academic officers on the development of the biennial request and the annual budget and to review the implementation of the annual budget." It is therefore within the purview of the SCFP to advise the president and senior academic officers concerning whether or not it is appropriate for the University to provide an annual subsidy to intercollegiate athletics from institutional operating funds, and to render that advice in the context of other institutional priorities, financial obligations, and opportunity costs.

The *Statement on Twin Cities Intercollegiate Athletics* adopted by the SCFP on December 4, 2001, and the Faculty Consultative Committee on December 6, 2001, focused on a

narrow financial issue: Institutional support for intercollegiate athletics. That issue is within the purview of the SCFP, and the Committee affirms its position that

- "we have no alternative to a recommendation that the University take action to scale back the use of institutional funds for intercollegiate athletics," and
- "we firmly believe the University must do whatever is necessary, in the very near future, to reduce its present and projected financial commitment to athletics."

With respect to institutional subsidization of intercollegiate athletics on the Twin Cities campus, the SCFP recommends that

- the magnitude of the subsidy, direct and indirect, should be brought into alignment with the subsidies provided by the other public institutions in the Big Ten and, in any event, should not exceed 10% of the total operating budget for intercollegiate athletics in any given year.

The Committee has not been provided with information about institutional subsidies that might be flowing to intercollegiate athletic programs on the other campuses of the University. It believes, however, that such subsidies probably exist and that, if so, they deserve the same serious scrutiny that has been given to the subsidy on the Twin Cities campus.

Professor Massey explained that when he learned that a subcommittee of the Board of Regents would be holding hearings on athletics, he immediately asked for time to speak. He invited Professors Borgida, Koch, and Erdman to a meeting to develop a statement to represent faculty views. He worked on a statement but then concluded that there was already a statement from this Committee and the Committee on Finance and Planning and that he would report that statement instead of something new. Finance and Planning has now made an additional statement. He will include the additional Finance and Planning resolution in his statement to the Board of Regents' subcommittee on Monday. Advisory Committee on Athletics and Faculty Academic Oversight Committee on Intercollegiate Athletics resolutions will also be included, if available.

Professor Erdman noted that the original FCC/Finance and Planning statement had been distributed to the Regents and suggested that repeating it would not be for the benefit of the Regents, although perhaps for others. He said he liked the statement that had been developed. He also reported that Professor Borgida, chair of the Advisory Committee on Athletics (ACA), hoped to have by the end of this meeting a statement from ACA to the effect that this issue (athletic financing) is complex and should be considered as such. The time before the Regents will be valuable, Professor Erdman said, and Professor Massey will need to represent many constituents.

The statement from Finance and Planning has two messages, Professor Speaks now reported. First, a question was raised about whether Finance and Planning has the right to delve into the financial aspects of intercollegiate athletics. The statement affirms that it does. Second, the statement reminds the administration what was said in December, in the earlier statement. The earlier statement, however, was purposefully vague about details because the Committee lacked critical information.

Since then, the Committee has learned that when the state special appropriation was folded into the University's general appropriation, there was no commitment, implied or explicit, with the legislature

about continuing to use the money for athletics. Nor was there any administrative commitment (other than perhaps an oral promise, now lost to history) that the funds were committed to athletics. Learning that, the Committee decided to remove the vagueness from its original statement.

The statement recommends a cap of 10% of the athletic budget from institutional subsidy. Why 10%? Because in the Big Ten, among the public institutions, Minnesota was at the top in terms of the subsidy (about 25% of athletic revenues come from the subsidy). Northwestern provides roughly the same subsidy that Minnesota does. The next highest is Illinois, at 9%; the remainder provide less and four institutions provide no institutional subsidy.

Professor Erdman said he would look at the peer comparison differently; he would suggest that Northwestern is the ONLY peer Minnesota has in the Big Ten--because it is the only peer in an NFL city. Football revenue is the big problem; Minnesota is doing fine in men's basketball and hockey. If one recognizes that Minnesota is very different from the other nine public institutions, because of the competition from an NFL team, one should compare the Minnesota subsidy instead to institutions which also have an NFL team, such as Washington, Rutgers, Pittsburgh, and UCLA.

In absolute dollars, Professor Speaks noted, Minnesota provides approximately \$10 million in subsidy to athletics; Northwestern provides \$6 million. He suggested it is also inappropriate to exclude the University of Michigan, which is only about 45 miles from Detroit. While it might be stretching the point, it may also be unfair to exclude Ohio State, mid-way between Cleveland and Cincinnati. As for the general point, the reason the Committee used the Big Ten comparison is because those were the data provided by Vice President Brown.

This goes to the point mentioned by the President, Professor Kruttschnitt said: those other schools all have non-revenue sports; what is different about Minnesota, she asked? The revenue in football, Professor Speaks replied, and less income from fund-raising. Professor Erdman noted that basketball and hockey at Minnesota bring in about \$2 for each dollar that is spent on them; football brings in about an additional 40 cents for each dollar spent on football.

The Committee on Finance and Planning did not address these issues, Professor Speaks commented. It did not say how to cut expenses; the Committee does not care if they are cut, if the athletic programs can raise the revenues needed, they can spend the money. The focus of the Finance and Planning Committee was on a narrow question: In the context of University commitments, its aspirations, and its mission, should it divert money to athletics? The question is one of philosophy, not how the University compares with other institutions.

Professor Massey noted that the Committee will have another discussion of athletic governance, with Professors Borgida and Koch.

Professor Speaks reported that the two athletic directors will join the Committee on Finance and Planning in early February, as will Professors Borgida and Koch. He said the Committee wishes to know of the reaction of the athletic directors to the statements the Committee has made.

Professor Feeney said he wished it to be clear that committees can operate independently and that it is the responsibility of this Committee to integrate the actions that are taken. Professor Massey agreed and said he has made that clear to the chairs.

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Professor Massey adjourned the meeting at 3:15.

-- Gary Engstrand

University of Minnesota