

Minutes*

**Faculty Consultative Committee
Thursday, February 1, 1996
10:00 - 12:00
Room 238 Morrill Hall**

Present: Carl Adams (chair), John Adams, Carole Bland, Victor Bloomfield, Dan Feeney, Virginia Gray, James Gremmels, Roberta Humphreys, Robert Jones, Laura Coffin Koch, Geoffrey Maruyama, Fred Morrison, Harvey Peterson, Michael Steffes

Regrets: Lester Drewes

Absent: none

Guests: President Nils Hasselmo

Others: Kim Isenberg (Regents' Office); Martha Kvanbeck (University Senate); Maureen Smith (University Relations)

[In these minutes: (With the President:) tenure issues, decentralization of responsibility [a.k.a. RCM], Twin Cities curriculum committee, budget cuts and unit closing rumors; faculty advising office; KIOSK; re-engineering]

1. Discussion with President Hasselmo

Professor Adams convened the meeting at 10:00 and welcomed the President.

The President began by thanking Professor Gremmels for the hospitality shown by the Morris campus during his recent visit. He related that he met with students who reported on marvelous experiences in study abroad and with students who had participated in research projects--who brought the special enthusiasm of undergraduates who have that experience. He also had dinner with faculty identified by the students as their favorite faculty member. His experience confirmed once again how outstanding the faculty and student body of the Morris campus are. It is important that units define their core mission and stick with it, he said--which Morris has done--and it is important for Morris to retain that mission, with the high quality it has, with cost-effectiveness without intolerable pressures on tuition, and with an appropriate balance of tuition and financial aid. It is also interesting to see that research is having a direct effect on the Morris economy, with a business being started locally that is hiring Morris graduates.

The President then told the Committee he had recently spent time in Washington, D.C., on the Kellogg Commission, a group sponsored by the National Association of State Universities and Land Grant Colleges and funded by the Kellogg Foundation (and permitted to use its name, which is very

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unusual). The Kellogg Foundation is serious about state and land grant universities; the purpose of the commission is to define a national agenda for the institutions. This is important for the University; it provides a national context for the local agenda. People from the University would have been impressed by how strikingly similar the issues are across the country; it will be better for the University if it can work with about 180 institutions on what its role should be. Sometimes people think there are unique features at Minnesota, but the issues are shared.

The President turned to tenure. It is so important, he said, and so fraught with the potential for misunderstanding. He said he hopes people read his article in the most recent issue of KIOSK; he makes it clear that tenure is here to stay, that it is an indispensable part of academic freedom, but that the processes and procedures must be reviewed to protect individuals against improper action but also to be sure the processes and procedures are as parsimonious as possible. The effort is on track, he said; the Regents, the administration, and the faculty seem to be in accord. He believes there can be three to five steps taken that will make the process more effective in the future. He said he wants to be absolutely clear that there is no hidden agenda to undermine tenure so that some group of faculty can be gotten rid of; the purpose is to secure tenure as protection for academic freedom in the future. He said he wants to avoid misunderstanding, and commented that every one of the 25 Kellogg Commission presidents is involved in discussions of tenure at their institution.

One Committee member recalled having said repeatedly that one difficulty that could arise in the discussion is the collective bargaining movement; if it obtains signatures from 30% of the eligible faculty, it will force a "cease and desist" order. That must be kept in mind; people see signing a card for collective bargaining as a way to delay or stop the discussion. That would be a highly risky strategy for the faculty to take. Some think it was successful in the 1970s. The faculty leadership must be sensitive to this sentiment and must address it.

The President turned next to administrative process redesign, which consists of many elements he is driving forward. This is the right thing to do, he said, and tinkering is not enough. He wants to move as far as he can in making changes, and is using a working hypothesis that the University should be able to generate 25% savings in the areas addressed by administrative process redesign. The Committee can learn more about this, he said, from Associate Vice Presidents Paschke and Pfitzenreuter later in the day. The President suggested the Committee should also meet with Associate Vice President Carrier and Mr. Denny to hear about the redesign of Human Resources. Other elements included in administrative process redesign include grants management, procurement, financial management, student systems, and facilities utilization. Semesters and decentralized responsibility, a.k.a. Responsibility Center Management, will also play a role.

On the question of decentralized responsibility, four areas have been identified: the allocation of tuition income, the allocation of state dollars, the allocation of indirect cost recovery funds, and facilities utilization. It includes nothing else. Implementation is expected for the 1997-98 budget.

The President distributed draft copies of his agenda for the remainder of his tenure in office.

One Committee member commented on the decentralization of responsibility. It has been suggested to the President that the term "Responsibility Center Management" conjures up concepts that are not positive; it implies units will be left to their own devices or will wander off to engage in

entrepreneurial activities that are unconnected to the rest of the University. If he wants to talk about specific items (such as the four the President mentioned), just talk about those four and do not wrap them into a title like RCM.

The working hypothesis of a 25% savings to be achieved with administrative process redesign is important; the demonstration will be begin to come with the next biennial request or even the next budget.

Another Committee member noted that Michigan has NOT instituted Responsibility Center Management, and that the senior officers pushing it have resigned. It was scheduled to go into effect this fall, but has been delayed. As recently as November, department heads and the Vice President for Research at Michigan had no idea what RCM meant for units or what its budgetary implications were. It is to be hoped that if RCM is implemented here, people will be told several months in advance what it means so they will be able to plan. It is disturbing to think people were in the dark about it.

That is why it is easier to talk about four specific items, responded one Committee member. If there are tuition revenue opportunities, what are the rules of the game associated with changes? People need to know what the rules are (or they will make up their own). Will state funds be distributed on a discretionary basis or by formula? Will there be incentives for ICR dollars? The allocation mechanisms need to be thought about. But they cannot be dealt with separately, observed another Committee member; they are all linked to create a budget, and people must know ahead of time what this means.

The President concurred. About the four decentralization issues, he said that if the University is to enhance revenues and offer more educational opportunities, it must unleash the creative efforts of the units, along with providing support from University College. If units are to generate money through Extension and Summer Session, there needs to be a different way of allocating tuition. It would be hard to use the old model, where tuition does not accrue to the unit--they could cut all Day School instruction and offer only Extension classes. That is why there is compelling reason to change tuition allocation, although it must be done very carefully.

Another tuition question is raised by the liberal education curriculum; departments are getting competition in offering courses to attract students. This is not all bad, but there needs to be a structure to referee offerings.

The model is a regulated economy with a strong element of the free market in it, the President said. Units must be allowed to compete in certain areas, but they cannot all offer Freshman English or foreign language instruction. It may be that a Twin Cities curriculum committee is needed as a regulatory organization, but it cannot be a cumbersome obstacle.

Department chairs say it is needed today, it was said, because departments are already offering classes they should not be, and it will be hard to decommission them. The Council on Liberal Education only has regulatory authority over liberal education courses, and the chairs do not believe the needed mechanisms are in place. Professor Koch reported that the Committee on Educational Policy is considering a proposal to create a Twin Cities curriculum committee.

It is necessary first to develop operating principles to govern decentralization, not just the issue of

competition. How to divide turf will not be clear; some subjects cross colleges and provostal areas, so this is a problem of the whole campus. In an environment with financial and programmatic consequences to how these issues are resolved means that that they cannot be addressed in an entirely democratic fashion--the parties at interest cannot serve the interests of the whole institution. This is not just a SCEP issue; it is also one for Finance and Planning as well as the Senate Consultative Committee.

The President pointed out that the Council on Liberal Education evaluates courses for inclusion. One Committee member said this is not enough. One example is Principles of Economics, which both Agricultural and Applied Economics and the CLA Department of Economics can offer. The two provosts face each other over this course with respect to tuition, space, and state dollars, and it is not something the faculty from the two departments can resolve. There could be two identical courses; evaluation as part of the liberal education requirements differ from the issue of who should offer the courses. This needs to be addressed yesterday.

There is the proposal from SCEP for a Twin Cities-wide curriculum committee, the President observed. Or one can ask if this is the kind of competition that is wanted. Both departments, in this example, are competent to offer the course. This is a case where the provosts wear two hats, responded one Committee member: they are University officers as well as line officers for the units; they can look at this issue from either perspective. When the perspectives are in conflict, there must be a principles that is to be applied. This is an interesting puzzle and it is not clear how to resolve it. One hopes the mechanism of the committee works.

There was an important word used in the earlier discussion, recalled one Committee member: franchise. It sets ones teeth on edge, but it is the right word: the Department of Chemistry has a franchise on teaching chemistry. If other units want to grab freshman chemistry dollars, there must be an agency that says they cannot do it.

The President is looking for a balance between competition and regulation, offered one Committee member; each has advantages and disadvantages to it, and there is need for a sophisticated balance. None know where to draw the line between open market competition and a planned economy, added another Committee member.

President Hasselmo then noted, with respect to the working hypothesis of a 25% savings in administrative process redesign, that he has already imposed an \$8.9 million retrenchment on central administration. Those cuts have been worked out and will be accomplished, so some pressure has already been put on. Are there benefits beyond dollars, asked one Committee member? Will frustration levels be reduced? The President said there would be additional benefits, and reported he was meeting with an individual who, appalled at the time the University's search process takes, has suggestions for improving it.

Professor Morrison expressed hope that the Committee on Finance and Planning would have the opportunity to review the cuts in administrative budgets; thus far, he said, there has been reluctance to share the information with the Committee.

One Committee member noted that cuts were going to be made in the college budget and said faculty are concerned that the cuts are being made because of problems in the Academic Health Center.

Some have asked what cuts the Academic Health Center (AHC) is taking, if it is in such severe financial difficulty. The President said the AHC is taking the same cuts as the rest of the University, and will receive the same opportunities to receive strategic investment funds that have been freed. The cuts are uniform, and strategic investments will be made. The AHC has also lost a lot of income, said another Committee member; that has had an impact in that there have been fewer funds to support activities and for salaries. That reduction has not affected the rest of the University, but has come IN ADDITION to the cuts imposed by the University. Some faculty have taken 20-30% cuts in salary, added another Committee member, and departments in the AHC are getting smaller.

One Committee member offered a plea for continued support of KIOSK. The support comes from central administration, it was noted, and it is hoped those funds will not be cut. The President responded that if this Committee and the faculty argue for KIOSK and believe it important, it will remain.

The President was asked about two of the items on his agenda. One was a plan to follow up on the trip to East Asia by building on connections with alumni for both educational and fund-raising purposes. Asked what the value would be to colleges and departments, the President said there is a group of mostly faculty reviewing the situation. Money from fund-raising would be used primarily for scholarships, international experiences, and program support, as well as research programs and activities related to East Asian countries.

The other agenda item is an exploration of the possibility of conducting a major campaign in association with the 150th anniversary of the University in 2001. This will come after he has left office, the President noted, and is a time-consuming effort. They are assessing the possibilities now to decide if a campaign should be conducted. There have been mini-campaigns in recent years, which have worked well, and those could continue, but it is possible an over-arching campaign would help them.

Discussion then turned briefly to salaries, faculty and administrative. The administration intended that units try to be more competitive in salaries, and perhaps award 5-6% increases. Some met the challenge, some did not, said one Committee member. One has the sense, in compensation, that the University needs to catch up if it is to realize its aspirations. There was a mechanism in place last year to try to catch up; one has the impression it did not work as well as had been hoped. Despite concerns that administrators received larger increases than others, the focus needs to be on a policy that will improve the competitive situation for the faculty. One could take the view that unit heads let the faculty down because they did not meet the challenge.

One Committee member then related that there have been rumors the University is considering closing the Crookston campus and the General College. There should be some response to those rumors, it was said. The President said he had not heard them.

One Committee member commented that when one looks at the issues facing the University, one HAS to think about various issues and possible actions. One hears a lot of rumors, but one has NOT heard there is any plan to close the two units, or even a serious evaluation of such a proposal. But the leadership of the institution would be remiss if it were not thinking about a lot of possibilities. One can mean different things when one says "someone is talking about" something; there have not been any serious plans made.

The same problem arises with respect to the tenure discussions, pointed out another Committee member. One hears questions asked related to the issues, but some apparently do not use the dictionary in the same way that the tenure working group does. To ask a question does not mean anything is seriously proposed; the question is asked, it is dealt with to clear the air, but the fact that it is on the table does not mean anything will happen.

The President said there continues to be a need to focus the institution. One hears the pressures all the time. But people act as if the University could easily close three or four big units and thereby solve its financial problems. That is not true. The University has a certain configuration of responsibilities; if it is to remain a major research university, it must retain that configuration. Each unit must be on target with respect to its mission and should be cost-effective. After 1991, when Waseca was closed, there have been hundreds of adjustments in attempts to right-size the institution; cash flow problems caused difficulties for that process. That remains the strategy. It is possible that units may close, but any proposal will not be sprung on the University some morning. There are no major decisions to be made now; one could use a "show cause" process to put serious problems on the table, although that is not likely, and there would be advance warnings. He has told units they must stay on mission, however, and they must be cost-effective. One hears a lot of rumors, he concluded, and most of them are just that, but the administration is looking at every nook and cranny for ways to be cost-effective.

Professor Adams thanked the President for joining the meeting.

2. Faculty Advocacy/Advising Office

Professor Adams turned next to Professor Feeney, who reviewed for the Committee the idea that had come from the Committee on Faculty Affairs about creating a faculty advising office. Committee members offered a number of comments.

- There was talk in the past on the Committee on Faculty Affairs about creating a University ombuds office; that proposal should be re-examined.
- If seen as a standard service, it could be provided by Human Resources, but they are not seen as independent. The Committee is NOT looking for an advocacy office, but for an ombuds office that must be seen as having independence; it should report to FCC, as did the previous faculty assistance office. If that is the direction to be taken, the Committee needs a more specific proposal, including a budget and clarification of the reporting line.
- This is one more administrative job that is not needed. A lot of people would spend time being advocates and not spend time teaching. This is not something the University should spend money on.
- If those who were managing and leading units were doing their job right, the need for this office would be reduced. But some say faculty are in a difficult position at the unit level, so there is a need to create a position for them. This intersects with the administrative review problem the Committee has discussed in the past.
- The person would wear the hat of someone dispassionate, not someone close to or invested in the

problem. The effort is one designed to reduce conflict and litigation.

- Could the practice of the current grievance procedure be followed? No, there is the question of the orientation of the grievance officer. At present, the grievance officer believes the job is to process grievances: if the form is filled out, the individual will be help. This keeps the office neutral with respect to the grievant and the respondent. While this neutrality is attractive, the office gives no informal advice or performs no ombuds function. One person in the position was an advocate; another would call a senior administrator to identify a problem and get it solved. This latter is more the ombuds function: let's solve the problem and give advice to the individual. One can be of two minds about this proposal. There are a number of department heads who are inflexible, who do not discuss anything and see their job as platoon leader, who dislike questions. There is a need for someone faculty can go to and ask if something can be done. The University has a very complicated system; this could be done informally and could help defuse a situation.

Under the current system, the grievance officer probably cannot play the ombuds role. The literature about the ombuds role is that it is inconsistent with adjudicatory responsibilities: one who does mediation cannot thereafter be part of the adjudicatory process. The two roles are inconsistent.

- One wants to favor the proposal, but there is a problem when the individual reports to the administration. The advisor must be someone who understands faculty life, not just an academic staff person.
- This is another administrative function for faculty to spend time on. But it would save other faculty from spending time on these problems.

If one makes the assumption that the recommendation from SCFA would call for an ombuds person and mediator, not an advocate and not a processor of grievances, who would report to the Senate, and there would be enough money to hire a faculty-type person, does the Committee wish SCFA to develop a recommendation, Professor Adams inquired? The Committee voted 6-2 in favor of asking SCFA to develop a recommendation.

3. KIOSK

Professor Adams next raised the question of additional funding for KIOSK in order that it be published every two weeks. Would it be enhanced to appear more often? It appears that KIOSK is being distributed and read; it is much more successful now than it was earlier. What is not clear is if people think it important, even if they do read it.

One Committee member said it is not a compelling publication. The old UPDATE had a depth and style to its articles that KIOSK does not; there is little in it that moves one. It does not serve the same purpose as UPDATE. It may also be that it is less interesting for someone on this Committee.

The faculty/staff version of UPDATE has been eliminated, Ms. Smith confirmed; the alumni version is still being published.

Part of the strength of KIOSK is that it represents all of the University community; it is a balanced voice.

SCFA discussed this, Professor Feeney reported; people do NOT know what is going on and do not know how to find out. KIOSK allows the President as well as members of this Committee to write things to inform the community. There is a need for a place to say those things.

One Committee member expressed ambivalent feelings about KIOSK. If ever there is a place where people are inundated with information, it is the University. There is so much information, people don't pay attention to it. Anyone can read all the minutes of committees and know as much as most central administrators--but they don't, so they know nothing. There also could be lapses in communication between the central administration and the departments; the department head may not bring information to the faculty in a way that is useful to them. Some faculty also pay no attention to the information, and brag about it, and then are upset when they don't know something. There then arises the question, whose responsibility is it to be a citizen? If KIOSK is not doing the job, it should be evaluated. For those on the "inside," there probably is no value added--but that is a very small number out of 3500 faculty. If there is value, KIOSK should be improved where possible and provided in a financially responsible way. But it is exasperating when faculty insist they be spoon-fed the information they need.

One Committee member said the importance of community is persuasive and suggested that more frequent publication be given a try. Perhaps KIOSK could be published every two weeks in the next budget period, as a trial, and an evaluation conducted in the middle of the year. If the experiment is not working, it should be cut off.

The question of funding is a problem of priority. One way to save money would be to look at the number of publications being sent to the entire faculty and possibly fold some of them into KIOSK. One Committee member recalled a proposal by a colleague that everyone at the University with the title "editor" be fired and see what happens. There is much more in faculty mailboxes than is needed, and all those items cost money--when one adds them up, they amount to salaries for assistant professors.

KIOSK comes out of External Relations, while there are a lot of publications they do not handle that could perhaps be included in KIOSK. The difficulty is that they do not control those publications. KIOSK could perhaps be set up so organizations have space and a deadline, and thus substantial money saved. This would also make it easier to read one's mail. What is unclear is who would pick which organizations could take advantage of this.

This is the same general problem in the publishing business: does one aim for a niche or for a broad audience? This was the subject of discussion when KIOSK was being planned. KIOSK has tried to walk the line of general and specific interest.

Another problem is that one could save the money but could not capture it, Professor Adams noted. He asked if there was support for a motion to support more frequent publication but including the caveat that it should not be funded solely from External Relations but should capture funding from other organizations that could use KIOSK.

With tenure, semesters, budgets, grading, and so on in front of the University, there is a

compelling argument for a well-edited information flow to all, said one Committee member, eliminating the need for a lot of backing and filling. How to do it is unclear, but this is a time when people need information.

The best source of information is the minutes of meetings, said one Committee member; they are available electronically, they are free, one can get depth, and the literacy is compelling. Some may need information to be capsulized, but the information is available in the minutes in excellent form. That is true for Senate matters, said another Committee member, but what about civil service and P&A issues? For issues faculty care most about, the minutes are a good source, but not for all.

It was moved that KIOSK be published biweekly until the middle of the next budget period, with the understanding it be evaluated at that point, and with the understanding that not all of the funding would come from External Relations but from other sources of periodical funding. The motion passed with one negative vote and one abstention.

4. Re-engineering

One Committee member inquired about the reaction to what the Committee heard the previous week from Professors Fennel Evans and David Hamilton. Professor Adams reported that he had sent a letter to the President, who responded quickly. The President wants Associate Vice Presidents Paschke and Pfitzenreuter to talk with the Committee about the status of re-engineering; he has the 25% savings target in mind, which is vital to planning for the future. The two associate vice presidents will be meeting with the Senate Consultative Committee later in the day.

One question is how to translate concern into action. One Committee member suggested that this Committee and the Finance and Planning Committee should review the budgets of individual units and ask if expenditures are necessary. Right now no one except individuals in Finance and Operations are doing that. The appropriate unit budgets should go down 25% on July 1 and 5% each year thereafter, it was said. The President has the authority to impose those reductions.

Should the Committee suggest a process to the President, Professor Adams asked? What does it wish to say to him?

Absent some other proposal, it should be the same concern as expressed to department heads: take utilities out of the calculation, and then they should operate on the presumption there will be re-engineering that they must accommodate, and that it will save 25% by the year 2000, so budgets should be reduced by 25%, cutting 5% on July 1. One is hesitant, however, to say how this should be accomplished; the people who must run the units must come up with the ideas; the Committee can suggest whether the ideas are adequate.

In addition, there should be emphasis once again placed on leadership development--there should be money placed in it. If one is not going to change tenure, the University must make people happy.

Will this be an FCC or SCC issue, one Committee member asked? Professor Adams noted that over the last several years, there was an attempt to reassert faculty leadership through the faculty component of the Senate Consultative Committee. The students have pointed out that this is not in

accord with the letter of the law; all issues are to be brought to the Senate Consultative Committee unless they are specifically faculty issues. It is hard to argue, he said, that such things as finances and re-engineering are exclusively faculty issues.

Another Committee member asked that central administration explain where the 25% savings will be applied.

Professor Adams recessed the meeting for lunch at 12:15, after which it was reconvened to identify a nominating committee for the Committee on Committees. The Committee agreed on a set of names to appear on the Assembly docket on February 15.

Professor Adams then adjourned the meeting at 12:40 and convened the Senate Consultative Committee.

He reconvened the Committee at 1:30.

5. Discussion with Senior Vice President E. F. Infante

Professor Adams welcomed Senior Vice President Infante to the meeting, and explained that because of scheduling problems, this would be a Faculty Consultative Committee meeting, although the students were invited to remain during the discussion because it would be followed by a continuation of the Senate Consultative Committee meeting.

Dr. Infante began by noting that much is going on at the legislature and much with the faculty. There will be shortly the third meeting with the Board of Regents on tenure, the administration is trying to put the budget together, and they are also thinking about the biennial request. The legislature has more interest in performance measures and performance funding, and the bonding request is also before it. With respect to the latter, the University has a list of priorities, behind which lie certain principles. The Governor has changed his mind, and recommended that the University pay one-third of the debt service for libraries.

One Committee member noted there had been conversations about re-engineering and improvement of effectiveness and efficiency of support activities; the notion is that substantial savings could be generated. When one looks at the long-term financial plan, is there a way it influences short-term budget discussions?

That will be clear, Dr. Infante said. There will be investments in the 1996-97 budget at the planning level. There will be significant investments in the Human Resources systems and student systems. He noted the "2000 problem" (e.g., the 00 in the field for year) and the question of upgrading to deal with it as opposed to major system improvements at the same time.

Another part of the capital budget involves a significant presentation on upgrading the telephone and network system. In 1984-85 the University put a lot of money into the system. The plan now is for a new system that will require about \$50-60 million in work that has nothing to do with the network or telephones, such as the installation of trays and closets in buildings. More than one-half the funding will be directed to the redesign of buildings for trays and closets to carry the system. The life cycle of the

system is estimated to be about 17 years, at an investment of two to three times the present level. The reason for a new and greater investment, with the same number of students and faculty, is because of the need to redesign buildings.

Dr. Infante also discussed the need to integrate all information systems and said there is a tentative budget plan for the next four-five years.

This is unexpected, said one Committee member. There has been talk of substantial savings to be achieved, but they will be soaked up by all the changes needed. The end result will be better service, but the process should not be seen as a source of extra money to solve problems.

Dr. Infante spoke of the need to consider buildings differently; one result of the first study will be to look at buildings such as Pillsbury: it will be retained, but not have the communication technology people want. About 15-20% of the \$60 million for building redesign, he added, will be for encapsulation of asbestos that will be found. The University, for a long time, will make investments to catch up (e.g., the steam plant).

That leads to another question, said one Committee member. In the overall scheme of what the University is trying to do, there needs to be a grasp of the large financial plan. A lot of things need money: the faculty are not well compensated, buildings are not as good as they need to be, the steam plant needs to be replaced--how is the University preparing to do all this? One thought about re-engineering of support services is that it will free up funds for programs, but one is now hearing that there are so many problems that the University may be at its high point in support for academic programs!

When one hears of these looming problems, added another Committee member, it is depressing; the University mission is education, but support activities take more and more money; the tail is wagging the dog. Is there a way to estimate the percentage of money that goes to support services? So that when there are problems in support services, the system is designed so that adding new ones does not mean taking more money?

One such service is the cost of libraries, Dr. Infante pointed; he would like to see its budget 10% higher than it is. Overhead is an integral part of the infrastructure. Buildings and grounds should be used effectively, so there are not high expenditures per square foot. Maybe all of the buildings should not be supported. The classroom study suggested the University has more square footage than others; it is not effectively using its space.

But units have been directed to offer more classes in the afternoon, which they did--and now they are losing revenue because classes are smaller than ever. Does this make sense? Dr. Infante agreed it did not and should be explored. The University is not in the business of making steam, he agreed--it is in the business of teaching and scholarly work--but the University does need steam. It has let some problems drag too long. Another example is the Business and Economics building: the Carlson School will move out, and the hope is to bring together some CLA departments--but the building was built in the early 1960s and has no communication channels. It must be networked, for the sake of the faculty and students, so investments will have to be made in trays and closets. The University has \$800 million to \$1 billion worth of things to do to keep it from falling apart that have been delayed. Some buildings must

go; when 11 Oak Street collapsed, he said, that was the end of the building.

Professor Morrison pointed out that he had called for forward financial planning, something the University has not had. It must be done, he said, and invited Dr. Infante to lay out such a plan for the Finance and Planning Committee. One side is the savings to be obtained from re-engineering. He said he was dismayed, at a recent Finance and Planning Committee meeting, that no one had thought about the savings that will occur from selling the hospital: purchasing and human resources should be downsized--and if that money is not captured immediately, it will not be captured, because work will expand to fit the bodies. The University must be aggressive at the time of the transition, and for five years with non-health-science areas. There is no financial plan to get the University to the year 2000; there must be.

Another Committee member posed questions. The President's tentative agenda listed items to be tracked and the officers responsible; two of them concern marketing the University, having to do with University College and the Graduate School. Dr. Infante will be reporting to the Regents in July on both; what direction is he thinking about for University College, what configurations for the Graduate School? Has this been worked out?

It has not, Dr. Infante replied. But the time has come, with the establishment of the provostal system, to rethink the functions and roles of the Vice President for Research/Dean of the Graduate School (VPRDGS). There have been discussions for the last two or three years about the VPRDGS. The question is what roles it should and should not perform, and there have been discussions with programs that do not wish to be part of the Graduate School (the professional schools). His expectation about the VPRDGS is that when the process is finished, there will be a Vice President for Research and Dean of the Graduate School, but with more sharply defined responsibilities. Some functions will go to the provosts and deans, but he said he strongly believes that compliance and oversight are all-University activities appropriate for the VPRDGS.

Dr. Infante also expressed the hope that the Graduate School will be very important; the University should not do away with graduate education activities because of the growth of the provostal and campus responsibilities. There will be a group of seven people, including faculty, to identify Graduate School functions. Some colleges see themselves as undergraduate organizations and the Graduate School as the unit responsible for graduate education; he said he does not believe in bundling responsibilities that way. The dean should be responsible for students from freshman to the Ph.D. He recalled that Associate Vice President Kvavik has spoken of the cascades of dollars that flow into departments; he said he does not want to see large numbers of dollars flowing from various sources, and does not want the Graduate School as a budgetary unit that provides money, unless for cross-cutting areas.

With University College, the University is trying to identify the most appropriate way it can adapt to a changing environment, increase its capacity, and project its services outward. Some colleges are doing this. The number of full-time-equivalent students in CEE equals that of CLA; this is a big, important activity. He said he wants to see the University take advantage of new technology--if a good education can be provided.

When he talked earlier about University College, recalled one Committee member, Dr. Infante spoke about more unity in what goes on between Day School, Extension, and Summer Session, about

more integrated activities. Is that still on the table?

Dr. Infante said he has pushed for integration. There is now only one registration system, he noted, and said he wants to integrate summer session with the rest of the year. Other universities have done so, with lower enrollment in their programs, and he does not want that result. Some parts of the University are trying to "unbundle" services; he said he is wary about not having an integrated system at the research and land-grant university.

Who is talking about integrating functions in CLA, IT, and CBS, asked one Committee member? When one talks about workload or semesters or compensation, if things are "unbundled" into separate budgets, where will funds for collective activities come? That is part of the need for a long-term financial plan. He is starting to do the outline of a plan with the President and provosts, Dr. Infante said.

Is the Board of Regents interested in these issues? Is this a continuation along a path, or will he plow new ground with presentations to the Board of Regents about University College? The audit committee of the Board is very interested in integrated control, Dr. Infante said, and the VPRDGS plays a significant role in it. With respect to University College, some Regents are very interested in it because they see it as a means of access to the University, as a way for the institution to fulfill its land-grant role in the future. Some Regents are very interested in infrastructure and technology; Regent Keffeler has said she is interested in the three t's: tuition, tenure, and technology.

It was noted that Professors (John) Adams and Feeney are on the Human Resources working group, looking at a range of issues having to do with personnel policies and management. They are trying to identify how unit heads figure out what to do with respect to the University's agenda and where they get the training they need. Were they not members of this Committee, they would not know about this effort. It is necessary to identify some departments in colleges as pilot cases where the University tries to do new things. Some things will not be achieved without a cadre of competent department heads; how will the follow-through be managed?

The way the question was posed is the reason the President created the provostal system, Dr. Infante responded. One is seeing a different manner of implementation in the Academic Health Center. Different components of the University have a different sociology and ways of dealing with their domains; Law and Math are VERY different, he pointed out. In both cases, the right leadership is in place to do things, but it is not clear that the right incentives are in place. Over time, the administration WANTS to provide the right incentives and tools for department heads. If the University does not do right in this matter, the cost will be high, so it must be a high priority.

Dr. Infante said he was grateful that Professor (John) Adams and others are involved in the tenure discussions, which are VERY important and in which faculty play the central role. It is also important to talk about the ADVANTAGES of tenure and the good things it brings, he added. This is another case where he is bothered by "unbundling," he said; instead of a commitment to the University, people are committed to small units. There is no doubt people are concerned about tenure; it is essential the discussion take place, with faculty having the foremost role.

Dr. Infante said he stood corrected on the matter of neglecting to refer to the chancellors as well as

the provosts when talking about the responsibilities and roles of the VPRDGS.

The Committee and Dr. Infante then discussed the wisdom of closing the campus the following day, when the temperatures were expected to plummet and the winds to increase. Whatever decision he makes, Dr. Infante observed wryly, it will be wrong. One Committee member pointed out that if the steam plant goes down, and the buildings are ruined, that will at least eliminate his \$1 billion backlog of problems. Dr. Infante outlined his options for closing; there appeared to be no consensus in view among Committee members about what he should do.

-- Gary Engstrand

University of Minnesota