Minutes*

Faculty Consultative Committee
Thursday, April 16, 1998
11:00 – 1:30
Room 626 Campus Club

Present: Victor Bloomfield (chair), Kent Bales, Gary Davis, Mary Dempsey, Gary Gardner, Virginia Gray, David Hamilton, Russell Hobbie, M. Janice Hogan, Laura Coffin Koch, Michael Korth, Leonard Kuhi, Marvin Marshak, Fred Morrison, V. Rama Murthy, Harvey Peterson

Absent: Carole Bland, Matthew Tirrell

Guests: Executive Vice President Robert Bruininks, Vice President Carol Carrier; Professor Catherine French (IMG Subcommittee)

Other: V. J. Agarwal (ACE Fellow); Maureen Smith (University Relations)

[In these minutes: Research committee chair on FCC; faculty salaries, budget matters, faculty participation in budget decisions/compacts, and position controls; compensation plan (with Dr. Bruininks); report from the IMG Subcommittee; conflict of interest policy]

Professor Bloomfield convened the meeting at 11:00 and welcomed Professor V. Rama Murthy as a newly-elected FCC member, invited to attend meetings as his schedule permits before he officially takes office on July 1. Professor Bloomfield also congratulated Professor Morrison on his election to FCC as a voting member.

1. Senate Research Committee Bylaw

Professor Bloomfield distributed a proposed bylaw amendment, which would remove the chair of the Senate Research Committee from the Finance and Planning Committee and make him/her a member of the Faculty Consultative Committee. Professor Kuhi, the 1997-98 chair, was invited informally to attend FCC meetings, and both he and FCC have found it a useful arrangement; the bylaw would make regular and permanent the practice.

With little discussion, the Committee unanimously approved recommending the bylaw change to the Senate.

* 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 represent the views of, nor are they binding on, the Senate or Assembly, the Administration, or the Board of Regents.

2. Issues of Budget and Finance

Professor Bloomfield then recalled that in the list of "issues pending" compiled for the Committee, a number of them had dealt with issues of finance and budget, and the Committee had agreed it wished to focus on those issues for the remainder of the year. He noted that FCC is the faculty's overall voice to the administration and Board of Regents on major policy issues; how the University should spend its money on education and research are certainly major policy issues. The subject is one that is hard to come to grips with, and may not be suitable for "policy" per se, but the Committee should discuss them so it can communicate faculty thoughts to the President and administration.

He distributed a list of questions he had previously emailed to Committee members, and suggested they take up the first one:

"Faculty salaries are too low, we don't want to deny our P&A colleagues the raises they deserve, and we'd like to increase the support budget. What, then, are the reasonable alternatives to putting the necessary money into raises and support and (if necessary) holding back on new faculty hires?"

What, he inquired, should the faculty recommend as the proper balance between faculty and P&A salary increases, and between salary increases and faculty support?

Committee members offered a number of comments.

-- Professor Marshak said that salaries are a VERY important issue, as is the balance between faculty and P&A staff. President Hasselmo enunciated the principle that the University should reach the average of the market, for both groups; the problem is that there is a reasonably well-defined process for identifying the mean for the faculty, and the data demonstrate clearly that faculty salaries are low. On the P&A side, however, the class has expanded so much that there are more P&A staff than faculty, and the range of job titles covers everything in the University. FCC should recommend that the market studies be completed so the University can come to grips with the question of whether P&A salaries in each category are reasonably related to the market. He emphasized that P&A salary increases should NOT be locked into the faculty increases. (Professor Bloomfield interjected that Dr. Bruininks has indicated such a study will be ready next fall.)

His view, he concluded, is that the biggest element contributing to the University's decline in the NRC rankings is the low faculty salaries.

-- Professor Hamilton said that that P&A staffing has gotten out of hand, because anyone holding a civil service appointment can apparently switch to P&A; this is wrong, and creating havoc. (In some cases it is because they want to make the change; in others because their supervisors want them to, in order to increase flexibility.) This change muddies the water, because many who are P&A then want the same rights as the faculty.

What about other departmental support for faculty, Professor Bloomfield inquired, support for teaching and research? How should they be factored into budget allocations?

-- Professor Morrison said that the old way of doing things was to increase the base and allocate the rest to new initiatives; that strangles the ability of departments to meet needs. What must be done is to identify the total operating needs of a unit. He agreed that there should be more responsibility placed on the deans and unit heads to provide faculty support, and they must be told that they cannot keep hiring new faculty and starve everyone else, because that leads to a second-rate operation (which will require that a new head be appointed).

-- This is an argument for position control, Professor Kuhi observed; Professor Morrison concurred. Professor Hobbie supported the idea; he said it is almost impossible, within departments, to withstand pressures from subgroups to hire new faculty.

-- Professor Hobbie maintained that the University of Minnesota has a very good fringe benefit package – that should not be tampered with – and that it should be included in comparisons with other institutions.

-- Professor Marshak declared that the University is at an historic point. It has the opportunity to change the national perception held of it. According to recent a Bureau of Labor Statistics report, of 40 metropolitan areas with over 1 million population, the Twin Cities has the lowest unemployment rate. There is a substantial opportunity to make a substantial change in the University's rankings, and the ONLY way to do that is to keep in place a reasonable plan for faculty salary increases. There is a break in the salaries of the ranked schools: at one level, there is Washington and Wisconsin; at a higher level, there is Michigan and Berkeley. This is a once-in-generation chance to move from the WA/WI category to the MI/CA level. There are many compelling things to do at the University, but the biggest benefit will come if it takes advantage of the opportunity to make about a 15% change in faculty salaries; there will be great benefits if the University does this, and opportunities will be squandered if it does not.

-- Professor Murthy agreed with Professor Marshak, and said there was no need for any policy change; the Committee must continue to take the position that faculty salaries are important. Professor Bloomfield noted that the commitment to steady and large increases in salaries in being challenged by other uses.

-- Professor Kuhi described himself as a strong advocate of position controls, and said the separation in a department should be between faculty salaries and all other costs. His concern about the salary pool is that in the past, increases were achieved by cutting department budgets. That must stop, because many departments have been cut so deeply, they cannot provide faculty support – or even TAs for courses.

-- Professors Kuhi and Hamilton, in an exchange, agreed that position controls should apply to P&A staff as well, but that those who are funded on soft money (grants) should not be included.

-- Professor Bloomfield observed that one dynamic that operates is that as one gets closer to the department level, the greater the pressure to hire new faculty. FCC and the President, on the other hand, take a broader view and look at the averages. The pressure to keep salaries increasing must come from this group. Local circumstances may dictate that new faculty positions are needed, but the needs of the group as a whole must be a counterbalance to this general dynamic.

-- Professor Gardner repeated his view that in the next legislative session, the University should press for increased faculty support as well as salary increases. The current budget, he agreed, should focus on faculty salaries, and the University has a responsibility to stick with the plans.

Committee members focused on the notion of position control more seriously. Professor Bloomfield suggested that if it were to be considered, the P&A class would need more definition, and that level of the control would need to be addressed (i.e., institutional versus college/campus). Professor Gray urged that if position control were considered, it should not solely on the faculty, so that other employee categories are allowed to grow while faculty are not.

Professor Morrison said that a question that needs a hard look, including from central administration, is the size of the staff complement in various disciplines – the number of faculty, the number of P&A staff, the number of civil service staff. Does the University need as many people as it has to do what they are doing? This is a central function, and he said he did not believe anyone was doing it. Across colleges, there are very different ratios among groups of employees, without any reason to support the differences that one can see. It may be that some should be the size they are, while in other cases they should shrink or grow. It may be that the arrangements have overloaded the responsibilities of the tenured faculty. If there were targets set, a unit could plan reasonably. Professor Morrison said he would OPPOSE, in central position control, any effort to control who would be appointed to individual positions; the position control should be over total numbers, not who is hired, because central administrators do not understand the dynamics or issues in a particular field.

Professor Kuhi described the system at Berkeley. A budget committee of about 10 faculty reviews and recommends to the provost which departments are to receive new positions and which departments are to be permitted to replace vacant positions. (The only automatic replacement is when a department has a vacancy due to a failed assistant professor search.) The faculty committee basically controlled faculty lines; the provost rarely went against the advice of the committee. (The committee is elected, like FCC, but with a narrower charge.)

Does this undermine the authority of the dean, asked Professor Gray? At a time when the President wishes them to have more authority? It is an extra step, in that the dean is responsible for making the case to the committee, Professor Kuhi said. It may be a slight reduction in authority, but the process stops the proliferation of faculty positions because units suddenly find money.

In the case of medical schools, Professor Hamilton pointed out, whenever a head is hired, part of the deal is often agreement that the new head can hire new faculty as well; that practice extends beyond the Medical School (other Committee members commented that that was unusual outside the health sciences). If the dean is permitted to make the case for the hires, his concern is satisfied, Professor Hamilton said, but one must be aware that there is a risk that the University will be unable to build strength, in an area it has identified as needing it, if the hiring decision must be made beyond the domain of the area to be strengthened (e.g., the college). Professor Kuhi responded that if an area is ripe for grown, the dean should be able to make the case in a way that others can understand – and with committee support, the argument has more strength, and the decision is one the broader campus more readily accepts.

Professor Gardner agreed that this would be a limitation on the powers of the dean, and he observed that often state funds come with strings attached (occasionally necessary to obtain the funding being sought). Part of the problem in defining the appropriate size of an area is determining how tenured faculty differ from P&A; without knowing that, one can put any position anywhere.

Professor Bloomfield said he could reconcile the limitation on the deans with institutional concerns: the budget committee would authorize the number of tenured appointments in each college; within the college, the dean would allocate them among the departments. In the case of the Medical School and the new head, the new positions promised would mean an institutional commitment to lines the funding for which could be shaky; it would be possible to say that the Medical School could hire as many faculty as it wished in X field, but with a limit not to be exceeded. One can say that the deans should have more authority, but there should also be institutional control over size and a balance between the units. Right now the deans make the case to the President and Executive Vice President – to two people who are too busy and who cannot have the needed knowledge of the promise or excitement in the various intellectual fields; a budget committee with wise people, with significant intellectual breadth, would be able to provide important advice. Including, he said, for the AHC.

There is no equivalent to the P&A system at Berkeley, Professor Kuhi reported. There are research appointments, and the teaching version of P&A appointments. These people are unionized, because they were treated so poorly; Berkeley had to do an analysis to get uniform standards across disciplines and to improve treatment. The result, he said, was positive. Professor Marshak commented that the civil service system at Minnesota is like that; it is a classified system, with titles, responsibilities, and salaries, while the P&A system is unclassified, with no assessment of responsibilities or compensation; as it keeps growing, there will be more trouble with it.

Professor Bloomfield said that he hoped the task force on academic appointments would provide recommendations on these issues.

The Committee then turned to the second question that Professor Bloomfield had asked.

2. "It can be argued that, in fields where grant dollars are reasonably plentiful, a successful researcher can more than cover his/her salary, fringe, and ICR. Thus such researchers more than pay for themselves, as well as conferring stature on the UM, and we should hire as many as we can get. This implies a drift (which certainly is already underway) toward hiring faculty in the fields where research support is easy to come by. Is this a good thing? A bad thing? How do we find the balance?"

Professor Morrison recalled that Dr. Zetterberg had talked with the Finance and Planning Committee about the three financial cultures of the University. One part focuses on NIH, where a good researcher can generate salary and more, and where to be able to recruit good researchers, the University must grant them tenure and promise to cover the salary if research funding declines. A second area focuses on NSF, where a researcher can generate funds for support and perhaps summer salary, but not the regular salary; the institutional risk is lower because the faculty salary is funded. A third area is that funded by the Department of Agriculture (and others), with federal operating dollars and state special funds. One could argue, Professor Morrison said, that there is a fourth culture, in the humanities and liberal arts, where there is little external funding.

It is necessary to sort out the dynamics of those cultures, he said. The risk is highest in the NIH culture, and next highest in the NSF culture. It is no accident that the financial crises come from the NIH culture – and they come not because of grants, but because the units parlay their bets. There is a different way of thinking about positions and how to finance departments. There are very different models across the University, and some parts are at greater risk than others. Professor Morrison agreed with Professor Bloomfield that FCC must take a University-wide perspective; the point of noting these different cultures, he said, is that they should serve to cautioned that neither FCC members nor any who might be involved in advising on position allocation should lean too heavily on their personal experience.

Professor Murthy said that there is always an element of risk in a place such as this; he maintained that the Medical School has taken more risks than were good for the institution, and in 1971 21 faculty needed to be funded, and all units paid. There needs to be an evaluation of risks. It was noted that there will be a meeting in the near future, including FCC members, to begin the analysis of the financial risk faced by the various colleges.

Professor Bloomfield noted that he is in the NIH culture, in biochemistry, and that one area in which the University falls woefully short is biology; to catch up, major investments will be needed. That implies that there could be major risks. If the University is to obtain star faculty, and increase its ranking, it must put money in and gamble that the effort will pay off. He said he would argue that it is a worthy goal, but gambles have to be taken.

Hiring blue chip faculty will also require a change in the modus operandi, Professor Hamilton added. At present such faculty are distributed too widely, without planning, and they do not have a major impact, but the University has a lot of expensive new people.

The University has made a great start in improving biology, Professor Kuhi said, with its new buildings, but there is no planned effort to present the improvements to the outside world. The buildings are a significant selling point, and they will be even more useful if there are funds for new equipment as well.

With respect to faculty salaries, Professor Kuhi said, the problem is that no one has the conviction to say that for the next five years, the University will build biology, and will concentrate all new funds in that area, no matter what it takes. Instead, the University spreads out its resources, according to the politics of the time.

What must be done, Professor Morrison added, is to use the position control notion to plan how large various parts of the University will be, if they will be funded by public money or on contingency funds, whether they will obtain financial support through ICR and grant funds, whether such funds will be used to support faculty, and so on.

At this point Professor Bloomfield suspended the conversation in order to welcome Executive Vice President Bruininks and Vice President Carrier to talk about the compensation plan.

3. Compensation Plan for 1998-99

Dr. Bruininks said he wished to share ideas and obtain advice about the compensation plan for faculty and P&A. He said the plans were not firm, but that the administration was moving toward a framework that made sense within the budget.

They propose to retain a strategy of different central allocations for faculty and for P&A staff. They have talked at length with the P&A staff, who strongly favor the same increases for faculty and for P&A; it is the view of the administration that there are serious market issues for faculty and the differential increases will be maintained. (Dr. Bruininks noted that last year the actual salary increases delivered to P&A staff were about 5.6%.)

The administration will allocate 6% for faculty and 4% for P&A staff, and the colleges will be allowed to deliver an additional 2%. This increase will account for about 70% of all central funds available. The emphasis is to be on merit, market, and internal equity, and the goal remains achieving the mean of the top 30 research universities. There will be no minimum or maximum increases. The letter to the colleges will urge that provide at least an additional 1%. The administration will help those units that are unable to come up with the 1%, although they will not undo IMG; there will be a small amount of money for this purpose (in the range of $250,000 -- 300.000), which will be important to small units.

The enterprise assessment tax will be eliminated, at least for this year, and, Dr. Bruininks said, he hopes forever. He cannot promise that it will not be levied in the future, because these are complex projects, but the University will ask for legislative help and the projects will have strict cost controls in place. One problem is that the University faces stiff competition in the market for information technology staff; in some cases, people are receiving offers of 40 or 60 or even 100% salary increases from outside.

Units will be asked to consult with the appropriate faculty and P&A groups to decide how far to stretch in delivering raises.

Units will be asked for a one-page summary of their consultation strategy and their compensation plan. For example, a unit might decide to offer 7% faculty salary increases and provide 1% for professional development. Or a unit may decide to offer 8%, with part delivered 7/1/98 and part on 1/1/99.

There will be colleges that can deliver 7%, although they do not have to; money could be put into academic investments instead. There will be an additional $12-14 million in revenues to the colleges; each 1% increase in faculty salaries totals about $2.5 million and each 1% for P&A staff is about $1.3 million. There are some units where significant (non-faculty) increases would not make sense, where compensation may already be indexed well to the market.

Last year, there were differential allocations by college; that will not be repeated this year. The data are not so good that gradations between the units are particularly defensible. Deans will be encouraged to look within their colleges, however, at the variations and to make judgments.

Some units will be allowed to pool the salary funds for faculty and P&A, if it makes sense for them to do so, but there will be no distinction in P&A staff between those who are faculty-like and those who are not.

The 6% from central administration will be in recurring funds; the units could use a mix of funds in any combination of recurring and non-recurring. The capacity across the University is ample to meet at least the 1% additional increase.

When they started the fiscal year, they had $4 million to meet all commitments. If they had had to provide salary increases with no new funds available, there would have had to be a 6 – 8% retrenchment in all college budgets. This is not a perfect plan, but the amount of funds available has grown from $7 to $35 million, something that should be celebrated. Dr. Bruininks expressed the hope that people could celebrate, despite disagreements that may exist, because the University made a major step forward. He has made it clear that this progress must continue. In his 30 years at the University, these are the best faculty salary increases he has seen, although some will still be unhappy.

Professor Bloomfield related for Dr. Bruininks that the Committee had spent the previous hour deliberating financing issues in a broad context; there were at least two significant points raised.

-- This is a unique opportunity, in the history of the University, to raise itself significantly in the NRC rankings with respect to salaries, which the Committee believes are directly related to quality, and the salary increases must remain a very high priority. This is an opportunity that should not be frittered away, even if there are significant needs in other areas.

-- There are local circumstances with respect to faculty and P&A staffing needs, and the Committee supports local autonomy; the units are receiving the benefits of IMG, and should use their resources. But the closer one is to the department level, the greater the pressure to add new faculty, rather than support those faculty already here, so the administration and FCC needs to keep the pressure on to also provide support.

There is still a need for a serious discussion about the implementation of IMG, Dr. Bruininks said, and there is a need for a way for the University to invest in different priorities without always relying on the legislature.

Professor Morrison commented that in the previous hour's discussion, there had been broad support for the idea of position controls on all professional appointments (although perhaps separate controls for faculty and for P&A staff). The Committee may urge that this be implemented through the compact process. It will be, Dr. Bruininks responded; the question is how much central control should be exercised.

Professor Hamilton told Dr. Bruininks that the situation with respect to P&A staff is chaotic, and one that will be deleterious for the entire institution.

Professor Marshak reiterated and emphasized the point he and Professor Bloomfield had made: that there is an historic opportunity for the University to differentiate itself from other institutions, a window of opportunity that will not be available indefinitely. The University can move itself from the Washington/Wisconsin compensation level to that of Berkeley/Michigan; if it falls short, the opportunity will be wasted for a long time. He pointed out that if the University delivers an 8% increase, only 4% of it, on average, is likely to be a gain; the rest is simply to keep up with everyone else. Professor Murthy reported that new AAUP data are available, and while the University made some progress last year, it remains well below the mean of the top 30 (e.g., it gained two positions for full professors).

Professor Marshak concluded that the University has a long ways to go, must keep the target in site, and must keep pushing hard to achieve it. These are the responsibilities of the central administration and central faculty governance bodies.

(Professor Bloomfield promptly denominated this opportunity the "Marvin Window"; Professors Marshak and Kuhi both suggested that perhaps the special session of the legislature would be willing to help this Marvin Window as well as the other one.)

Dr. Bruininks pointed out that there are competing needs for funding, and said he did not like the fact that there were too few funds to address the long-term academic investments required. He said that there can be non-recurring investments for now, and agreed that compensation must remain the highest priority.

Professor Kuhi said that it will be very difficult for the University to move as high on the rankings as it wishes. In order to enhance its reputation, the message must get out that the University will make every effort to hire ABOVE the market. The colleges have received the message that they are to offer market salaries, Dr. Bruininks said, but at the same time, faculty already here must not get the message that they only way they will receive decent increases is if they look for outside offers. Equally important, Professor Gardner observed, is making competitive offers at the junior level; unfortunately, the salary difference between that of a retiree and a new junior hire is evaporating.

Professor Morrison made two concluding points. He advised that the administration should be aware that although position has been heard, many will say that the increases planned are not what was promised. Second, if the administration begins talking about its plans for next year, the concerns could be muted.

Professor Bloomfield thanked Drs. Bruininks and Carrier for joining the meeting, and said that they had a sense for the Committee's views on the plan.

4. Report on IMG

Professor Bloomfield now welcomed Professor Catherine French to the meeting, to report on the work of the IMG subcommittee, of which she is chair. Professor French reported on the work of the subcommittee during fall and winter quarters, and distributed a list of recommendations based on the discussions subcommittee members had with deans and departments heads during winter quarter. She reviewed the recommendations with the Committee. (The recommendations were amended slightly following the FCC meeting. The comments of FCC members and Professor French are interspersed among the recommendations.)

A. Communication (Administration, Colleges to Departments)

1. The goals and values that should guide the University and the actions taken under IMG should be clearly stated and widely communicated to the faculty.
2. Distribution of funding at the University level and the rules governing those allocations must be clearly stated and easily available to the faculty.

Department chairs must understand the rules governing allocation within their colleges and the methods by which additional effort translates into improved funding under IMG.

Professor French said that communication is a big issue, because many see IMG as a corporate model with a focus on the bottom line. She also said that department chairs need to be informed, because while departments generate revenue, some are insulated from IMG while others are in colleges which implement IMG down to the level of the department.

B. Banking (Administration, SCFP, Colleges)

1. Colleges should have an explicit system by which funds can be banked to handle shortfalls/windfalls.
2. Smaller colleges need some form of collaborative banking.
3. A central mechanism should be developed to provide loans if necessary.

Some have argued for a 3-year rolling average for assessment of shortfalls and windfalls; others have argued that this would run contrary to the purpose of IMG. Some colleges have started banks, but that is easier for large colleges than it is for small ones.

C. Management System (Administration, SCFP)

1. Timely and accurate budget statements and data (i.e. enrollment projections, cost of instruction, ICR) are need to manage under IMG.
2. An accounting system that enables modeling of various income and expenditure streams should be made available.

D. ICR (Administration, SCFP, Senate Research Committee)

1. Adequate funds must be provided to meet A-21 regulations.
2. The use of ICR funds to support tenured faculty salaries and teaching activities is inappropriate.

E. Space (Administration, SCFP)

1. A clear and explicit plan for space allocation to research and education activities is needed.
2. The planning should begin with an inventory of current space allocations and needs.
3. The $5/ft.^{2} space charge is unrealistic and does not reflect actual space type and quality. The objective for using this charge should be clarified.
4. A mechanism should be developed to facilitate the transfer of space including the option of taking space off line.
5. A mechanism should be developed within the system for units to accommodate construction of new space.

Professor French said that some departments started out with less space than they needed, and what should have been considered was need. Space could be part of the compact process, and historical inequities could thus be dealt with. In addition, the $5/sf is not true cost, and the actual cost is something over which departments have no control.

Professor Bloomfield commented that he found the treatment of space the part of IMG least likely to be taken seriously, and inquired if anyone had proposed getting rid of space as a part of IMG. The idea was to create incentives for units to get rid of space, Professor Morrison recalled, and he is the one who proposed the $5/sf charge. The intent was to avoid a huge bureaucracy to identify costs; it was thought more efficient to create incentives with a flat number. What is happening, however, is only partial implementation; in some units, the senior administrator is offsetting space costs, which is essentially back to a central planning model. The space provisions of IMG may be irrelevant, and a decision is needed whether to drop them.

F. Costs (Administration, SCFP)

1. Giving colleges some ability to control service costs (e.g. outsourcing) should be investigated.
2. Colleges should have a mechanism to provide input regarding administrative costs and assessments.

G. Risk/Obligation (Administration, SCFP)

1. The level of risk across the colleges should be investigated. Monies associated with state subsidy, tuition revenue, and ICR are not equally at risk.
2. Policies should be developed under IMG that clearly identify the obligations for the risks undertaken. For example, colleges can decide to hire tenure-track faculty; however, because faculty tenure resides at the university-level not at the department/college-level, the university becomes ultimately responsible for the level of risk undertaken by colleges.

H. Education

1. Tuition revenue should follow the course designator. Faculty teaching in other departments or in interdisciplinary programs should be paid for that effort as inload or overload. (Administration, SCFP, Graduate School)
2. A plan is needed to support/champion interdisciplinary activities if the Graduate School no longer fulfills that role. (Administration, SCEP, Graduate School)
3. Use of adjunct faculty and graduate students to teach courses should be closely monitored. (Administration, SCEP, Senate Faculty Affairs)
4. Course duplication, teaching of required subjects outside of the disciplinary unit, grade inflation, and inflated course credits must be monitored and stopped where it has occurred. A University-wide curriculum committee would be suited for such a role. (SCEP)
5. The development of university-wide initiatives for courses in areas such as writing and biology should be investigated. The tuition revenue could be centralized (e.g. in VP's Office for Undergraduate Affairs) to facilitate planning course offerings provided by multiple colleges. (SCEP)
6. Subsidization of lab courses and small enrollment courses by large enrollment courses must occur and be clearly identified. (Administration, SCFP, SCEP)
7. The impact of tuition waivers should be studied. The costs should be limited and equitably distributed across colleges/campuses. Replacement of tuition waivers with scholarships should be promoted. (Administration, SCEP, SCFP)
8. The use of enrollment caps should be reviewed (including the role of General College and its treatment under IMG). (SCEP)
9. The funding of the Graduate School, Libraries and other specialized service units must be made explicit. (Administration, SCFP)
10. The role of the University College should be reviewed under IMG (i.e. should University College be a tuition attribution center and/or a support service). (Administration, SCFP)

What is most important about H(1) is that the rule be known, Professor Morrison said.

Professor Gray said that there is wide variation in grade inflation across colleges and departments, and IMG could make the situation worse.

One department head suggested that University-wide offerings, such as writing courses, should perhaps be centralized.

Professor Gardner inquired if there had been discussion of the 75/25 allocation formula for tuition allocation; Professor French said there had, but there was no suggestion that it be changed. Professor Gardner said the 25% administrative allotment is too high, and leads to game-playing and an incentive to offer similar courses.

Professor Bloomfield commended Professor French on the report, and deliberated how best to be sure that the concerns and recommendations were heard. They will be provided to Dr. Bruininks, Professor French said, who will be meeting with the subcommittee during Spring Quarter. Asked if it was her sense IMG was reasonable and something the University could do well with, Professor French said that there were positive elements to it – it makes the budgeting process more visible and should make planning easier. One drawback is that in many cases, units cannot control costs. The process should be one that can change over time so that problems can be addressed.

Professor Bloomfield thanked Professor French for her presentation.

5. Conflict of Interest Policy

Professor Bloomfield next introduced the Conflict of Interest policy, which will be brought to the Senate Consultative Committee for placement on the Senate docket, but it was thought that FCC might wish to take a look at it first.

Professor Gardner inquired if the document identifies those changes which were required by the federal government; Professor Bales said it did not. SCFA has the federal regulations, and learned that those parts of the policy that it was troubled by were those parts of the policy that used the word-for-word federal language. SCFA asked if they had to use the exact language, and was advised by the General Counsel that they did. Ultimately, he reported, SCFA found the policy satisfactory.

Committee members raised questions about royalties and about the applicability of the policy to employees covered by collective bargaining contracts.

Professor Morrison inquired if anyone had thought about writing up a less-than-one-page summary of this (and similarly complex and almost unreadable) policies to tell people what they should and should not do? He related that he had recently spent 30 minutes looking for a policy on the web and another 20 minutes finding the section he needed – and he knows how to use the system. He said he was increasingly concerned about the way these policies are prepared, and then placed in a hidden web file. This is setting a trap for the average faculty member, and is not notifying them what they should do; it sets up a situation where the General Counsel and Graduate School can say that if the faculty member had followed the 17 specified steps and used Adobe Acrobat to download the file, they would have known what to do! He maintained that the Committee should press for plain English versions of these policies.

Professor Hamilton added that NIH, with respect to the grants management problems, has commented that the University's web site is confusing and that one cannot find things.

Committee members nodded heads in agreement, and Professor Bloomfield then adjourned the meeting at 1:30.

-- Gary Engstrand

University of Minnesota