University of Missouri System
Intercampus Faculty Council

Minutes of the Meeting of October 11, 2002

Members in Attendance: Sudarshan Loyalka, President, MU; Michael Devaney, MU; Eileen Porter, Secretary, MU; Jakob Waterborg, UMKC; Kathleen Schweitzberger, UMKC; Max Skidmore, UMKC; Van Reidhead, UMSL; Rocco Cottone, UMSL; Lois Pierce, UMSL; Todd Hubing, UMR; Leonard Koederitz, UMR. Ralph Wilkerson, UMR, was unable to attend.

Call to Order: S. Loyalka called the meeting to order at 9:30 a.m. and recognized Curator Mary James, who joined the meeting soon thereafter.

Before entertaining approval of the minutes, S. Loyalka invited discussion of the issue of distribution of the IFC minutes to the Faculty Councils on each campus to ensure consistency in reporting about IFC matters across the four campuses. L. Koederitz said that they decided last year to put a skeleton version of the minutes are to be on the web, but this has not occurred. It was agreed that the IFC would approve a complete version of the minutes and an abbreviated version to put on the Web. E. Porter will give both versions to K. Volle.

Approval of Minutes: The minutes of May 3, 2002 were approved as written (moved L. Koederitz /seconded M. Skidmore/consensus) with three changes in the UMKC Campus Report: (1). Merken should be Mirken. (2.) (An addition was made at the beginning of the second sentence: His appearance on the O’Reilly factor. (3) The information in parentheses at the end of the second sentence was deleted. The minutes of August 5-6, 2002 were approved (moved M. Skidmore /seconded L. Koederitz/consensus). The minutes of September 11, 2002 were approved (moved L. Koederitz /seconded M.Skidmore/consensus) with the addition of the attendance roster and three corrections: (1) Section 1, last sentence. “Legal” should be “General Counsel.” (2) Section 7, UMKC Report. “new dean” should be “new interim dean.” (3) Section 7, UMSL Campus Report: (change/addition in bold type): The College of Arts and Sciences is considering re-organization.

Review of the Agenda: At S. Loyalka’s request, members called for discussion of these topics: 1. J. Waterborg: The need for numbers on VERIP. This was to be discussed later by the General Officers. 2. L. Koederitz: A unit’s loss of a faculty position on retirement contingent upon a vote to merge with another unit. This issue has come up recently at UMR in the College of Arts and Sciences, and he asked if other campuses were concerned about it. S. Loyalka noted that there is general interest among faculty with regard to program mergers and consolidation; there is nothing in the bylaws that requires a faculty vote when a merger is considered. Although due process is to be followed, M. Skidmore noted that program mergers have typically been an administrative prerogative on each campus. M. Devaney noted that the MU Faculty Council has sought to sensitize administration to faculty’s concerns about this issue, and the MU Faculty Council is working on a policy relative to this. S. Loyalka suggested that the IFC discuss the matter with VP Lehmkuhl. 3. S. Loyalka: Opportunity for faculty feedback on the report of the RedAC Task Force.
M. Skidmore noted that the general officers have received the report, but the Board has not accepted it, so there is still time for faculty to give input. K. Schweitzerberger noted that at UMSL, Provost Ballard has requested input from faculty by November 1. The IFC decided to discuss this issue later in the day with VP Lehmkuhl and President Pacheco.

**Agenda Items:** S. Loyalka introduced discussion of the Revision to Section 10.030.A. 9 that VP Lehmkuhl had forwarded to General Counsel. S. Loyalka reported that VP Lehmkuhl had said that Counsel would propose a revision to the phrase pertaining “to avoid financial exigency,” but S. Loyalka had not had further word about this matter, and he did not know the reason for Counsel’s concerns. L. Pierce raised a question about the section regarding adjustments, specifically the phrase that adjustments “be on an equitable basis across the board.” There was agreement that the terms *equitable* and *equal* have different connotations and that both should be included to ensure protection of the more vulnerable university employees. R. Cottone and L. Pierce emphasized that the IFC must move toward closure of this matter with VP Lehmkuhl and President Pacheco at today’s meeting, so that the IFC’s Revision to Section 10.030.A. 9 can be discussed at the Curators’ meeting in November.

L. Pierce reported on the Presidential Search. She is Chair of the Faculty Consultative Committee on Presidential Succession, which will meet initially on October 14; they will hear from President Mathes about the charge and the status of the search. General Counsel Wright will discuss confidential matters and ground rules. The committee will discuss the selection criteria for the new president (appended), and they will create a standard list of questions to ask each candidate after reviewing the IFC’s suggestions (formulated in May, 2002) and the Curator’s list of questions. L. Pierce will share the committee’s questions with the IFC. Dates of further meetings have not been set; however, the committee will (a) engage the candidates in interviews, (b) prepare recommendations, and (c) present the recommendations to the Curators. S. Loyalka expressed the gratitude of the faculty to Curator James for the Curator’s careful attention to the Presidential Search. She responded by noting the importance of the effort to the future of Missouri at this particular time.

**Discussions with VP Lehmkuhl and Interim Assoc. VP Graham:** VP Lehmkuhl began with a brief discussion of Section 10.030.A.9., conveying to the members Version #1 and Version #2 that he had just received from General Counsel. The IFC decided to discuss this matter later after reviewing the documents. On the President’s behalf, VP Lehmkuhl concurred with the IFC’s desire to complete this task at this meeting.

VP Lehmkuhl then reviewed the Report of the Reducing Academic Costs (Red AC) Task Force (appended). He reaffirmed some comments in his letter that accompanied the report, noting that the report’s thrust was that of creating opportunity out of adversity. VP Lehmkuhl then reviewed each section of the report. (Readers are referred to the appended report for details; comments of IFC members and VP Lehmkuhl’s responses are stated here.)
VP Lehmkuhl noted that Section 1 (Cost Savings Related to Program Closure, p .3) has generated the most attention (particularly from the press), although the reasons for this degree of attention are unclear. J. Waterborg noted that some grant-generated monies have been folded in to Tier 1 costs. VP Lehmkuhl emphasized that the state is providing less money for indirect return (for facilities and administrative recovery of costs). While this means that the RedAC’s estimates of costs savings are inflated, it does not change the conclusion that closing programs is not a good budget-cutting measure. VP Lehmkuhl noted that the RedAC did not factor in gift income either, as a considerable amount of this is program-specific and not linked to the operational budget of the university per se. VP Lehmkuhl pointed out the distribution of cost-savings in Table 3 (p. 7 of 19), noting the importance of the section entitled the “$40 million scenario.” VP Lehmkuhl emphasized the last paragraph of that section and its final sentence [“If one is willing to close the library, sell campus buildings, discontinue general education, and offer very few degree programs” (p. 8)]. L. Pierce and V. Reidhead noted the perceived implication that there was a plan to close a campus. VP Lehmkuhl explained that this was not to be implied, but that marked cost savings could only be generated through reducing Tier 3 and Tier 4 costs, which are linked to campus facilities and services. With regard to the first sentence of that paragraph [“Finally, when one weighs the direct and shared costs associated with all academic units . . .” (p. 8)], L. Pierce asked for a definition of a unit. VP Lehmkuhl defined this as the smallest academic unit that has a budget and to which costs could be assigned, differentiating this from degree programs. The RedAC did not base analyses on degree programs, although he noted that units that offer more than one degree program could decide to offer fewer programs for financial reasons.

Concerning Section 2 (Program Assessment and Viability, p. 9), VP Lehmkuhl emphasized the second sentence. We must manage our degree inventory and decide whether particular programs should be merged or eliminated. This should be done on a recurring basis, as the purpose is not budgetary, but for management of degree programs. It was in this context that the program viability audit was developed. These decisions must be made at the campus level, and faculty are central to these deliberations.

Concerning Section 3 (Instructional Capacity, p. 12), VP Lehmkuhl briefly reviewed the current status of VERIP, noting that we will have fewer faculty, as 223 faculty have taken VERIP, and 157 are ranked faculty. This is between 7 and 10% of our faculty workforce. They had generated $25 million in grants and contracts in FY 2002, and they had taught 21,000 credit hours in 400 courses. Concurrently, three campuses have significant enrollment increases. In this context, the RedAC recommended changes to the workload policy to create flexibility to adjust to increases in enrollment. M. Skidmore (who is a member of the Red AC) emphasized that taking a unit-based view, rather than an individual faculty-based view, was a key point, relative to the generation of a particular number of student credit hours (SCH) (see Appendix 2, Red AC report). VP Lehmkuhl noted that the RedAC did not weight graduate and undergraduate instruction, hoping that the unit could work out this issue; it would have been too inflexible to have a weighting rule. With regard to generating SCH, VP Lehmkuhl noted that the capacity exists in the low end of the distribution, as some faculty carry more than their share, while also bringing in grants. The revisions in the workload policy would enable more review of such situations.
Concerning Section 4 (Alternatives to Program Closure, p. 14), VP Lehmkuhl reviewed the six additional alternatives to reduce academic costs, noting that the potential savings to be generated through unfunded research expenditures is more than what can be generated through cuts to academic administration. S. Loyalka noted that some flexibility can be gained through cooperation among programs in sharing teaching of particular courses, rather than moving to program merger, and M. Skidmore noted that such an approach had been successful at UMKC.

VP Lehmkuhl concluded discussion of the Red AC report by remarking that the university cannot avoid future cuts to either the administrative or the academic side of the house. We are reducing the work force, and then we must consider what instructional efforts can we support while continuing our mission. M. Skidmore noted that cutting graduate programs cannot be an option, as some have suggested, as this really would impact the mission of the university. R. Cottone questioned the need to include “profitable program expansion” as an option. VP Lehmkuhl said that the list created by the RedAC is not exhaustive. M. Skidmore mentioned entrepreneurial activities. With regard to the recommendation concerning salary encumbrance on external grants (p. 14), J. Waterborg asked whether there was a system-wide policy concerning the percentage of a faculty member’s salary that was to be picked up by a grant relative to the actual effort on the grant. VP Lehmkuhl emphasized that we need to explore the specific implications of each recommendation in the report. J. Waterborg asked whether the numbers in the tables in Section 1 of the report should or could be used as bonafide criteria for appraising programs. Steve pointed out Section 2 concerning program assessment and viability, noting that this was a campus-level decision.

S. Loyalka raised discussion of obtaining and sharing the faculty’s feedback on the report of the RedAC Task Force. VP Lehmkuhl noted that the general officers received the report on October 9; the Chancellors were to request feedback on their campuses and to report to President Pacheco in November. VP Lehmkuhl confirmed that the report, including the workload policy, could go to the Board of Curators in November. L. Koederitz asked whether the report is on the web; VP Lehmkuhl will provide the IFC with the website. S. Loyalka suggested that IFC representatives (a) solicit comments from faculty, (b) collate this information, and (c) talk with our Provosts. VP Lehmkuhl suggested that the IFC spend considerable time with him and President Pacheco on this matter in our November meeting.

Parental Leave Update: Interim Assoc. VP Graham has facilitated a committee that is considering issues relative to parental leave and medical leave for faculty; the main issue has been pregnancy leave. By virtue of the federal Family Medical Leave Act, all employees can take 12 weeks of unpaid leave in family emergencies, but one solution to the difficulty of unpaid leave would be a paid or partially paid leave for faculty, with ongoing contributions by the unit, the faculty member, or both. L. Pierce has served on this committee, and she noted that this money could be used to pay a substitute. M. Skidmore noted that a new policy should not penalize a campus where faculty cover for each other in such cases, as has been done at UMKC. Interim Assoc. VP Graham noted that although the current committee is not charged with creating a new policy, any new policy has to be fair for the university as well as the individual.
There was further discussion of Versions #1 and #2 of the Revision to Section 10.030.A. 9 (appended). Version #1 is an edited version of what S. Loyalka gave to VP Lehmkuhl several weeks ago, following these changes made by General Counsel: (a) retention of the “notwithstanding any rule . . . . to the contrary” clause and (b) deletion of the phrase “other terms and conditions of employment” and insertion of the term “benefits.” Version #2 differs from Version #1 in that Version #2 includes an expansion of section (b) that addresses the principle of equality (i.e., that such adjustments “shall not be used to single out any given faculty, staff or administrator”). The sense of the IFC was that Version #2 was consistent with the need to incorporate the principles of equality and equitability in the revision. VP Lehmkuhl explained the rationale for General Counsel’s deletion of the reference to adjustments being made in times of financial exigency; this is not an appropriate reference point. Although the term is mentioned in the Collected Rules and Regulations, there are no policies with regard to declaring financial exigency in the Collected Rules and Regulations.

VP Lehmkuhl noted that President Pacheco would support either Version #1 or Version #2. S. Loyalka noted that the IFC would resume deliberations on this matter later in the meeting.

**Discussions with VP Caruso and VP Krawitz:** VP Caruso discussed the Administrative Review Task Force Report. The General Officers have looked at various services that could be consolidated with MU and System. But they are waiting further input from campuses at the end of October with regard to the potential outcomes of the different scenarios on budgeting depending on levels of state funding. Holding fee increases to 3.2% will not work. There has been conversation about increasing fees at each campus 10% a year for the next several years. The UM System has given a list of real assets to each chancellor to see if there are any that can be disposed of on each campus. In answer to V. Reidhead’s question about the possibility of alternate fee structures on each campus, VP Caruso and VP Lehmkuhl noted that the Chancellors’ group has been uncomfortable with such an initiative.

VP Caruso discussed the recent reorganization of IT Operations, with consolidation of IT between MU and system, which was designed to save between $3 - $5 million per year. He distributed a recent article from the Chronicle of Higher Education concerning recommended best practices in IT (appended), and he addressed the parallels between our consolidation efforts and the best practices. L. Pierce and L. Koederitz asked whether a favorable outcome of this merger would lead to mergers of IT services across the system. VP Caruso noted that there are 1000 IT people elsewhere throughout the System (see “Employees with Information Technology Titles,” appended.). The Health Sciences Center at MU would be next to consider, and perhaps sometimes after 18 months, they would be looking at other campuses. L. Koederitz and VP Caruso discussed the issues of efficiency and consistency of administrative functioning vs. innovation and support opportunities for faculty at the desktop. M. Skidmore asked whether there could be a system-wide telephone service to avoid long-distance charges. VP Caruso anticipates that within two years, Voice Over-IP improvements will be scalable beyond 500 persons. Finally, VP Caruso noted that one of the goals of People Soft and ISP was to simplify processes, and this has not been achieved thus far. Administrative support centers might be needed. VP Krawitz and Larry Gates will try to convene a group of three people from each campus after January 1, 2003 to discuss this.

VP Krawitz discussed the UM Budget. No additional withholdings have been announced to the FY 2003 budget, but the state budget was running $78 million short at the end of August,
and the state is on a trajectory to run significant shortfalls. There is a “high likelihood” that higher education will get cuts, and the campuses are working on how each would take a 5% cut. A 10% withholding is outside of our worst “worse-case scenario.” Any announcement is likely to come after the election. If the tobacco tax is passed, it will generate funds that could be helpful to our situation. R. Cottone asked whether another surcharge on student fees for Winter 2003 was possible; VP Krawitz doubted this, because enrollment has exceeded expectations on three campuses and because students have already taken a 14% increase. For FY2004, the System requested $566 million from the State for the general operating budget. However, on October 10, the CBHE approved a flat budget relative to FY2003 ($399 net at present), because the Governor had urged departments to exercise restraint.

VP Krawitz also reported that the CBHE put a moratorium on new programs because program start-up has significantly outpaced program closure. Campuses can propose a new program, but they must address certain specific questions, such as comparing the program to other programs system-wide and explaining the sources of program funding. VP Krawitz distributed the Strategic Plan Financial Planning Assumptions of FY 2003-FY 2007 (September 27, 2002), which were approved by the CBHE on Oct. 10, 2002 (appended).

Call to Order: Following a brief recess for lunch, S. Loyalka convened the afternoon session at 12:30 p.m. President Pacheco and VP Turner joined the meeting for the afternoon session, which was also attended by VP Krawitz, VP Lehmkuhl, and Asst. VP Graham.

Campus Reports: M. Devaney reported for MU. Of the eligible faculty, just 24% took advantage of VERIP. A committee is working on a revision of the grievance procedure, which following approval by the MU Faculty Council, will be brought forward to IFC and to the Board to seek approval to try the revised policies on a trial basis for 3 years. President Pacheco inquired whether anyone from the System office had been involved in this effort, and M. Devaney indicated that he did not believe so. President Pacheco suggested that someone from Academic Affairs be involved to ensure consistency with Board policies. MU is also working on policies concerning faculty involvement in program discontinuation or mergers. President Pacheco noted that it was wise to have such policies in place.

L. Koederitz reported for UMR, which is breaking ground for a new student center, funded by a private gift. A team from ABET was on campus recently to review all 14 of the engineering programs. There were no deficiencies in any programs. Some of the weaknesses identified were due to loss of faculty from VERIP in some programs. An Ad Hoc Committee of the faculty has been engaging in dialogue with the Chancellor concerning reorganization.

K. Schweitzberger reported for UMKC. There was a general faculty meeting on October 3, and the focus was faculty governance. There was accord among the parties (including the Faculty Senate, representatives of AAUP, and the Chancellor) concerning the definition of faculty governance. The campus has finalized its goals and the units are working on their goals, due by the end of 2002, with goals to be presented at campus forums early in 2003.

V. Reidhead reported for UMSL, where a discussion of chancellor succession has begun. Following a faculty forum on the matter, a diverse group of five faculty came together to
meet with President Pacheco. V. Reidhead and other members of the group have elicited further feedback from faculty through the Faculty Senate and other forums. The issue of shared governance is also being discussed, particularly with regard to how it is best facilitated through existing rules and regulations. A review of processes for program merger will be undertaken, as this has been an issue for several departments in the College of Arts and Sciences recently. Other ongoing issues, inherently linked to shared governance, are those of staff-faculty communication and trust.

**Discussions with President Pacheco:** After thanking the faculty for their reports, President Pacheco gave an Update. The CBHE met on October 10, as VP Krawitz had reported. Quentin Wilson is the interim commissioner. First, there has been discussion of further study of the relationship between the missions of the 2- and 4-year institutions. A decision about this is more likely after a new commissioner is named. Second, with regard to the UM budget, President Pacheco noted that a 4% pool for salary increases for FY2004 is still critical. To address a shortfall for FY2003, a reduction in compensation might be needed with every effort made to protect the base. Only about 36% of eligible faculty and staff took VERIP, but it is still possible that the $12 million goal from VERIP might have been met.

President Pacheco invited questions. S. Loyalka raised the RedAC report, mentioning the importance that faculty have an opportunity to provide feedback. President Pacheco would welcome this, but he needs it in short order. Some matters from the report could require Board decisions and others might be dealt with by Executive Order, but he wants to discuss the matter at the November meeting of the Board. It was agreed that IFC members would come to the next IFC meeting with faculty feedback. J. Waterborg asked whether General Counsel had yet had the opportunity to review the faculty workload policy. VP Lehmkuhl said that he will ask General Counsel to do so.

S. Loyalka briefed President Pacheco concerning the status of the Revision to Section 10.030.A. 9, noting that the IFC was in support of Version #2. VP Lehmkuhl affirmed that the interpretation (earlier confirmed by the IFC) of “equitable basis” as meaning that perhaps faculty could take a cut while staff would not, and President Pacheco concurred. L. Pierce inquired as to whether the phrase “across the board” was redundant. VP Lehmkuhl will raise this matter with General Counsel. The IFC decided that if General Counsel considered the phrase as essential, that would be acceptable. IFC also asked for the addition [in section (b)] of the word “officers” prior to “similarly situated University . . . . employees.” VP Lehmkuhl then discussed this matter with General Counsel and reported to IFC that the addition would be made. President Pacheco noted that there was concurrence on the revisions to Section 9.

**Other Business:** M. Devaney suggested that at future meetings the IFC discuss implications of Judge Conley’s ruling concerning the Sunshine Law for the conduct of IFC business.

**Adjournment:** The meeting was adjourned by S. Loyalka at 1:40 p.m.

Respectfully submitted,

Eileen J. Porter