Minutes of IFC Retreat, August 7-8, 2003

Present at some or all sessions:

- IFC members: UMKC: Jakob Waterborg (chair), Kathleen Schweitzberger, Max Skidmore; UMC: Gordon Christensen, Eileen Porter, Susarshan Loyalka; UMSL: Todd Hubing, Michael Hilgers; UMSL: Van Reidhead, Lois Pierce, Rocco Cottone.
- UM System: Steve Lehmkuhle (VP Academic Affairs), Kandis Smith (Assoc VP Academic Affairs), Katina Volle (Secretary to Lehmkuhle), Nikki Krawitz (VP Finance & Administration), Ralph Caruso (VP Information Systems), Lori Kranz (Vice-Provost Undergraduate Studies UMC).

Preamble: although Minutes of the IFC Retreat have not been taken in recent years, important discussions lead to decisions and agreements among IFC members, which are reported below, generally in the order of the Retreat Agenda Topics.

Jakob Waterborg, chair

A. Agenda Items

1. Technical functioning of IFC.
   The standard meeting format will be maintained with standing invitations to VPs and Curators, and the noon meeting with President Elson Floyd. Agenda items will be distributed approximately 1 week before the meeting and Minutes will be posted to the web when approved (http://system.missouri.edu/vpacad/faculty/ifc/ifc_main.htm).

2. IFC meeting dates.
   Dates: Fr 09/12/2003; We 10/29/2003; Fr 11/21/2003; Tu 12/16/2003; We 01/21/2004; We 02/11/2004; We 03/17/2004; We 04/14/2004; We 05/12/2004.

3. IFC chair will visit Faculty Governance councils at UMC, UMR and UMSL.

4. A synopsis of agenda items for upcoming IFC meetings ends this report.

B. Budget Information

1. VP Krawitz gave the IFC an overview of overlapping budget cycles. The way IFC could contribute as a system-wide faculty budget committee was discussed. IFC accepted to discuss tuition assumptions in its December meeting; salary pool, benefits and other budget assumptions in its January (or February) meeting; and the appropriations request in its April (or May) meeting. Using this schedule, faculty input can be realized before Board decisions are made.

2. Discussion of the FY 2005 Appropriations Request, which was approved by the Board in July 2003. It includes the first third of the $96M Funding Equity request, which was requested by the legislature to be included. The size of this “Resource Gap” was identified based on a new Resource Requirements model (see below). If any of the increases to the Core Budget, including the ‘Cost to Continue’ and ‘Funding Equity’ requests, the distribution of the lump sum will be determined by the Board and not by any budget model.

3. Discussion of the FY2004 to FY2007 projections showed that continued deficits without changes in policies or budgets will lead to loss of solvency by FY2006 and beyond. Especially in light of the projected worsening of Missouri’s budget for FY2005, major changes in University’s practices must be anticipated.

4. Changes that may ameliorate the budget projections were discussed but none, other than reduction of the salary pool (which, along with benefits, will grow in 5 years to 78% of the budget) will by itself produce an acceptable outcome.

- Increased research with full recovery of all possible indirect costs must be encouraged. The Grant Incentive initiative is part of this strategy.
- Campuses are trying to develop endowments to support Scholarships and Fellowships, which cause a major reduction in net revenues if paid from the general operating budget. VP Krawitz promised the IFC an overview of current endowments for all campuses.
- Reducing of administrative costs might be found in progressive consolidation of shared functions. In line with the current trend to increase assessment of faculty performance (see Faculty Workload discussions below), could assessment of administrator productivity give insight in adjustments that would avoid harm to essential functions?
Restructuring of future budgets was discussed.

a. Could differential increase of tuition of expensive professional programs in high demand make them almost budget neutral, as is almost the case for UMSL Optometry and UMKC Medicine programs?

b. General high increases in tuition beyond the inflation level for all programs would be a way to reduce the budget problem. Such a policy would have to be balanced by increased need-based financial aid. This implies that the role of Financial Aid would change. Most financial aid is now merit-based and provides support to students who would be able to come anyway and who would be paying tuition instead of receiving aid.

c. Elimination of professional schools with high costs per SCH would affect budget requirements most but would eliminate programs from Missouri that are central to the Mission of the University.

d. Loosening the rules for salary recovery from external funds ('buying research time from grants') might relieve to some extent the pressure from the salary pool for regular faculty but it would strongly increase teaching by adjunct faculty for low pay, paid from part of the recovered funds.

5. Could the Retirement Fund be subject to change under budget pressure? Answer by VP Krawitz: The Retirement Fund is a separate trust fund that currently FULLY covers ALL retirement obligations of ALL employees. Should the University cease to exist today, all will be covered in what they have accrued.

6. VP Krawitz presented the Resource Requirements Model, presented to the Board in July 2003, and its underlying principles. A fundamental choice has been to assume that the SCH cost for a program would be the same irrespective of which campus offers the degree. This basis supports the choice that all 4 campuses of the UM System are taken to be equal. The current model is considered better than the straight FTE model. The relative budgets of the campuses, which have been rather stable over the last 30 years, were compared with their Resource Requirements.

• Every campus is under-funded, relative to its requirements based on national norms. A major factor is the under-funding relative to Standardized Rates per SCH, differentiated by degree programs – some programs are inherently more expensive than others –. Generally, external data like Delaware studies, have been used, for instance to adjust for the proportion of classes taught by non-tenure/tenure-track faculty.

• Some campuses appear more under-funded in certain areas, due to differences in campus decisions and historical basis. This may be a basis for assessment of funding distributions on each campus but any decisions in this area would remain to be campus decisions. The IFC discussed various aspects of perceived funding (in)equity between campuses.

• The IFC discussed the complexity of the Resource Requirements model versus the need to use it as a political argument. Would it not be better to use a simpler model of weighted FTE requirements (1x for undergraduate; 5x for masters, 7x for professional and 11x for PhD programs [are these factors correct?] when we need to defend UM’s budget need for the legislature against the budget requests of the regional campuses and community colleges? VP Krawitz showed such a weighted assessment for FY00 and promised to provide the IFC with an updated analysis.

7. The Resource Requirements model identified a Funding Gap of $96M, one third of which is requested from the legislature for FY 2005. If funded, it will be a decision of the Board how these funds will be distributed over the campuses. If the Resource Requirements model will play a major role in the decision on future Resource Allocation, all General Officers and their campuses must reach an agreement on all the assumptions that underlie the model.

8. The Resources and Planning committee of the Board will meet in September with Bill Massey to discuss Performance-based Resource Allocation principles, and the whole Board will have a presentation by Bill Massey in October. VPs Lehmkuhle and Krawitz will try to find time for a meeting of him with IFC members in October. These meetings will aim to identify principles underlying sound budget allocations, which should be based on data and complemented by judgment.

9. The Resource Allocation Principles (i.e. the questions presented to the Board in July) were not discussed during the meeting. IFC chair Waterborg promised to start an Email discussion among the IFC members about possible answers, in preparation to upcoming discussions in IFC and Board meetings. A priori, the
IFC appeared to accept the premise that acceptance of these allocation principles would influence resource allocation also on campuses, academic units, departments and maybe even individual faculty. Our Email discussion will show whether this premise will be accepted by the IFC. (Note by Waterborg: our discussion should determine to which degree these principles are already being used on each of our campuses.)

C. Discussions with VP Lehmkuhle

1. Faculty Workload. VP Lehmkuhle discussed his July presentation to the Board on Faculty Workload and Instructional Workload. As the IFC has emphasized, the Instructional component is only a part of the full workload expected from faculty, with variable contributions in research, teaching and service so that, in the aggregate, schools (and departments) contribute as expected to the Mission of campus and University.

2. Quantitation of all three aspects was emphasized as a way to prevent the sole focus on instructional activities (see FAS item below).

3. The Instructional Waiver process is seen as a responsibility of the Chief Academic Officer on each campus where, based on an accepted workload model of academic units, proactive identification of Instructional Waivers should be used to validate appropriate assignment of teaching to individual faculty. Waivers should not be seen as ‘excuses’ (presented after the fact) but as an explanation and as proof that reflective decisions have been part of individual teaching assignments. Thus they represent valid arguments that major contributions in research, teaching or administration would lead to individual teaching loads that are less than the 12 section credits/180 SCH reporting criterion.

4. The retroactive assessment of instructional waivers and system data inaccuracies, as done for 2002/2003, should not be the model of assessing whether academic units meet, in the aggregate, their workload expectations.

5. Application of the “or” has identified 920 faculty out of 2173 faculty not meeting the 12 credits or the 180 SCH criteria. (Far fewer faculty met neither criterion.) With, on average, average assignments of sections at almost 18 sections and approximately 280 SCH per regular faculty member per year (data presented in Powerpoint slides to the Board in July 2003 and now to the IFC), this number of faculty ‘below the cut-off’ is approximately what should be expected. However, IFC members suggested that the ‘920’ number may politically backfire if it is not seen in the context of average credit and SCH production numbers.

6. The IFC discussion of the Workload committee report lead to the conclusion that Eileen Porter, committee chair, will propose how to combine the existing Faculty Workload Policy CRR 310.080 with the committee recommendations. This draft will be reviewed by the committee representatives of the three other campuses and presented at the first IFC meeting.

7. Viability Audit. The Viability Audit should be a process of evaluation of programs that appear ‘outliers’, as identified initially by System data, so that possibilities of continuance or collaboration are weighted, at the campus level, versus other campus priorities like new programs. It is not a process to cut programs as significant savings are unlikely to be realized. An initial list of programs has been identified, approximately 10 on each campus. Campus committees should now assess these candidates [this is the responsibility of the Chief academic officer on each campus but faculty governance bodies and faculty representatives should play a major role] and VP Lehmkuhle expects a report, and possibly decisions, by December 15, 2003.

8. UMC has produced in the last year a motion on Mergers & Consolidation of programs. The IFC agreed that this, together with other documents (like “Joint Appointments”), should become part of a Best Practices manual on the IFC website.

9. Cooperative Programs were discussed in their three existing forms: (i) Board-designated cooperative programs which are fully integrated in admission, curricula and specialties with common faculty. No UM program currently meets this expectation. (ii) Course sharing with individual criteria for admission and curricula. (iii) Ad Hoc, as seen in some internet course or research program developments.

10. Updates on recent development and identification of future IFC agenda items.

    • The upcoming discussions of possible consolidation of UM President with UMC Chancellor, weighting cost-versus-quality and new opportunities will be a constant on the IFC agenda.
    • UM-Northwest Merger. On August 29 a due-diligence report to the Boards of both institutions is due.
    • Plan a discussion how research funding of coordinated, multi-team or center grants in UM System could be encouraged.
• Conflict of Interest. A website will be up shortly and should be discussed in IFC.
• VP Lehmkule asked IFC to discuss whether ranking of non-regular faculty, who are responsible for 40% of all instruction, should be considered. What would its advantages? President Floyd was reported to undertake as similar action in West-Michigan.
• UMKC raised the related question of changing titles of non-regular, often part-time faculty with ‘visiting’ titles who de facto do the work of regular faculty (teaching, research and service) and who may earn de facto tenure through long-time employment without assessment for tenure qualifications.
• VP Lehmkule asked whether the IFC would want to make a policy initiative forbidding Consensual Relationships between faculty and students. IFC will discuss the question.
• VP Lehmkule reported on the 5000 student survey on English Language complaints: slow progress is realized.
• Assoc. VP Smith reported on parental notification related to ‘Students and Alcohol’.
• VP Lehmkule asked the IFC what faculty action they would want to take in case of plagiarism and other forms of academic dishonesty, e.g. in terms of rejecting transfer credit earned during a period of suspension. The IFC discussed the discrepancy between established policies and faculty actions in situations of Academic Dishonesty.

D. Discussions with VP Caruso

1. **PeopleSoft.** VP Caruso informed IFC of current process of PeopleSoft implementation, including the student modules coming on-line in the coming months on the 3 campuses without this module. Implementation will be in web-based version 8.
2. The choice of an imaging system has been made, driven initially by the needs of Financial Aid offices. This will be generally usable. VP Caruso stated that he did not know for sure whether the feedback of all user groups for IT implementation was fully functional.
3. In response to a UMSL IFC question about terminating use of Social Security Numbers on University Ids, VP Caruso informed us of an initiative to have, by 1-1-2004, the health insurance cards use the PeopleSoft emplid (employee ID number). The same group that drives this change is aiming to replace asap SSN by emplid on ALL forms of identification in use (and residing in databases) in the System.

E. **Presentation by UMC Provost Lori Franz of the UMC FAS (Faculty Accomplishment System)**

1. The IFC had asked for a demonstration of the online Faculty Accomplishment System which is currently in use in approximately 7 colleges of UMC. IFC’s aim was to assess whether this system could allow some numerical assessment of faculty activities in Research and Service, in addition to Teaching, making aggregation of data for presentation by system officers to the legislature possible. All were very impressed by the breadth and flexibility of FAS and recognized it as useful, requiring certainly not more effort than individual faculty currently spend on individual faculty activity reports. Entering of data as one goes through the year rather than at one reporting time is likely also to increase completeness and accuracy of data.
2. VP Lehmkule emphasized that only a 100% acceptance of this tool would yield a benefit for the System because of the capability to aggregate data that now remain buried in Faculty Activity Reports at the campus level. The benefit of a reduced need for departmental and school administrative assistance appears clear. Fixed and dynamic reports possible in FAS appeared to address most or all anticipated creation of reports, without almost any new effort, especially by faculty. A reasonable basis for data aggregation at the system level appears possible, using the analogy that it will allow to add apples to oranges and report to the legislature how many pieces of fruit we produce.
3. In addition to reporting on Research and Service, the FAS system will provide UM System data on teaching, which can be modified to fit reality in the FAS data. This will allow department heads and deans to report faculty instructional workloads in a consistent manner to their Chief Academic Officers, without major additional work, and perhaps to manage instructional waivers, if required, in a proactive way that supports faculty activities in research and service. Also, the FAS instructional data, when re-aggregated by
department, school and campus, will allow an assessment of data problems that may exist in central data systems.

4. The IFC members requested to receive guest accounts on the FAS so that each could test the system in-depth. The decision whether IFC will endorse full implementation of FAS will be placed on the IFC agenda.

F. Final items

- IFC decide to discuss with President Floyd at the IFC meeting in September the market-based raises of the Chancellors at UMKC and UMR.
- Gordon Christensen, UMC, requested that the approach taken to grievances (can the system loose?) and the role of athletics be discussed at a future IFC meeting.
- Lois Piere, UMSL, requested that IFC discuss whether the lack of a “positive work environment” is a reasonable basis for a grievance.

DRAFT Reported, J. Waterborg, IFC chair, August 10, 2003 (as modified 8/15/2003)