Intercampus Faculty Council
321 University Hall
Minutes from February 18, 2009

Present: Frank Blum, Doug Carroll, Michael Schulz, Carole Murphy, Paul Speck, Matt Keefer, Wilson Watt, Tom Phillips, Alex Holsinger, Gary Ebersole, and Nancy Stancel

Absent: William Wiebold

10:45 a.m. Chair Paul Speck called the meeting to order. He asked if anyone wanted to change the order of the agenda items. Dr. Watt made a motion to table the item on “academic dishonesty” until the March IFC meeting. The motion was approved.

Chair Speck then called for the approval of the minutes. They were approved unanimously without any changes.

Chair Speck then opened the meeting for discussion. He asked the committee members what would they like to achieve today and what role should IFC play in this environment?

Discussion among IFC Members:

The System needs to consider a sunset clause on furloughs and retirement. Any changes in retirement or benefits need to be passed through the appropriate campus committees. Perhaps IFC needs to suggest a process to help the President.

No one is sure what is happening with the new money. Will it go into the stabilization plan? IFC members need to know the process – everyone agreed.

One of the issues brought up is what faculty means by “consultation.” In the President’s defense, he did solicit IFC’s advice. Faculty sees consultation a different way. IFC members suggest that there be a written policy. The System has a policy about faculty input and this could influence future discussions on funding.

There was speculation about what Governor Nixon will do to find money to make up for any shortfalls in revenue. Questions are still being asked on campuses regarding the 1 to 2% salary cuts and where this freed up money will go or be re-utilized. The faculty wants to know where this idea originated.

Former VP Hutchinson brought in a consultant that was able to dissuade the System and Board from changing the retirement plan. The case was not made sufficiently that the 1% is needed this year.

Columbia thinks the 1% is too high. The problem is that faculty fear that it will be a 10% cut this year and 15% next year. The 1% is to cover this contingency. They do not know what the state is going to do next year.
It is recommended that the President stop saying that 1% is a placeholder. Where did the 1% to 2% figures come from? The President should speak to this issue.

Speck suggested that the IFC members priorities their message for today. There are process and content. We need some damage control.

In reference to the letter that went out to all four campuses from the President announcing the 1 to 2% increase in retirement contributions, IFC members could have told the President that the letter would not be well received as written. If someone on IFC had seen the letter before it was sent, they could have helped make it better. We can help the President with the audience he is addressing. All Senate Chairs have been taking heat. All faculty and staff are upset. That is clear.

It is important that all the Chairs of the Senates speak to this issue. A show of common concerns needs to be made. We need to address process and communication issues.

If you go back to the November and January minutes of the IFC, it is noted that we were told that the retirement plan was fine, but it actually it was not okay. Not only that, it had been failing for months. We then repeated what we heard at IFC to our faculty and by doing that undermined our credibility.

11:10 a.m. Interim Vice President Graham, Assistant Vice President Smith, Assistant Vice President Noble-Triplett joined the meeting. Vice President Rodriguez would join the meeting later.

**Academic Dishonesty:**

The subcommittee met earlier with legal regarding the Academic Dishonesty policy. It was tabled until the March IFC meeting.

**Faculty Leave:**

Vice President Nobel-Triplett passed out information on Faculty Leave. She noted that the changes appear in red ink. All changes have to do with family and medical leave. Former President Bush mandated the coverage for family and medical leave before he left office. Most updates are technical. This is the first time we have used the Federal language in our policy because we didn’t have the language before.

Members asked if this was going to be a mandated or discretionary HR change. Does this include FEMLA leaves? In times of tight budgets is there less money for faculty leaves, research developmental leave, etc.?

VP Nobel-Triplett responded that we have few people that take family leave. What we project for F&M leave is not very much. In the past family leave was not the same on all campuses. In the past, KC did a good job with this. The other three campuses are now more in line. For our new faculty members, who are a different breed, this policy is a big issue.
The questions were asked, should mandated money be a part of the benefits package? As this develops should it be under benefits rather than leave?

VP Nobel-Triplett responded there are two categories of leave: Professional Leave and Personal Leave. Law does not mandate personal leaves. It will be a little more difficult to get a professional leave because of the budget.

**e-Learning:**

Interim Vice President Graham distributes a draft proposal on e-Learning. System thinks it is critical that we do something in this area, but understands that campuses need autonomy and to do things in different ways. System officials can see collaborative programs in the future; however, Deans need to have their say about joint programs because each campus has its own culture,

Representatives from UM went to Texas to look at their e-Learning system. The group from UM walked away thinking it was a good program and that we could duplicate it, as well as use some of their strategies.

The System came up with a UM e-Learning draft. This is a work in progress. So basically what the draft describes is that the focus is on student learning. Programs will stay on campuses

There are concerns about our brand and revenues. Some campuses use this as a revenue stream. This could be a problem.

IFC is only the second group to receive this draft. VP Graham asked that the handout not be shared at this time. He asked; please do not send it out electronically as a pdf. Graham gave IFC members detailed information about what the graphs meant in the handout and emphasized that the handout is scheduled to change.

The question was raised, why add another layer? More system involvement means more costs, etc. In the earlier version you heard more about what we did not do well.

It was brought up that a concern among faculty is that they need to become comfortable with the equipment and technology.

The following response was given by VP Graham: For faculty who want to develop an online course, System will have developers to work with them. Most of the money will be put into instructional designers that can help faculty learn to use the technology. Of the four campuses MU has the most elaborate electronic offerings.

The fact that each campus has a different culture was brought up again. Kansas City has a structure of all schools, how will this be handled? VP Graham acknowledged the problem with this campus and assured IFC members that 100% of revenue will go back to campuses.
The System will find sources of money for start-up. The new way of looking at e-Learning is that it is a tool. It provides freedom for both students and faculty.

Comments from IFC members: Marketing for each campus is key to attracting students and a revenue stream is important to the campus.

VP Graham stated that he is the Executive Director for off-campus learning and that he would like to advocate for e-Learning. The governing board for e-Learning will be the Academic Council. The Council is made up of one person from each Provost Office on each campus, one student affairs person from each campus, and one unidentified spot.

There was a question brought up about delivering classes across state lines? Have the legal implications been considered? Another concern put forth was that watching a taped lecture is not as good as a classroom experience.

The response: Some colleges out of state will not accept classes from other states. Examples were given of successful programs. We now have “skype” and other technology advancement that can give freedom to academic units; can be helpful to regular courses; and can give campuses an additional revenue source.

Speck asked IFC members how many of them had taught on-line or through some other type of distance technology? About half the faculty had worked with on-line classes in some capacity.

At this point, VP Rodriguez enters and the discuss changes to the pension plan.

**Pension Plan:**

VP Rodriguez asked if we had been to one of the presentations on the pension plan. She used a power point containing charts that demonstrated the history and future of UM contribution rates. She explained that the System has always contributed around 7 to 9% to benefits.

One of the IFC members pointed out that the particular chart she was using was problematic. What makes this problematic is that faculty interprets the graph differently. UMSL has a resolution that asks for clarity. Questions that need to be answered are: What is the floor to what you will commit to and where will the money be used? What happens to the stabilization fund? A request was made to explain the stabilization fund and to define future policy using the stabilization fund money. Faculty wants this written into policy although it appears to be problematic to do so.

VP Rodriguez explained that the reason for the withholding is that we lost so much because of the downfall in the economy. Compensation dollars will be going up the next four or five years and that is a problem. We consider salaries to be in the same boat. President Forsee has a strong commitment to salaries. The stabilization plan will be used for salaries unless there is a 25% cut in budget.
12:20 President Forsee joins the meeting.

President calls for campus reports.

IFC members share around the table the problems they experienced regarding the President’s letter to the faculty. They emphasized the need for shared governance.

**Campus Reports:**

MU: Has a concern about the budget. Columbia is working with Kansas City on the pilot grievance policy.

Kansas City: A lot has been going on at the KC campus. The Budget Committee has moved to meeting weekly. Each of the units has a faculty budget committee. There is a lot of concern about the budget. There are three dean searches going on now. Some faculties do not understand why these are going forward. The new grievance process is on line and there are now two grievances going through the new process.

UMSL: The major issue has been the actions taken at the Board of Curators meeting. What happens when things like this occur (the budget change)? The Senate Chair has been receiving a lot of criticism about the process, and he has argued forcefully that adhering to a process that provides for adequate consultation and communication is essential. It is not only likely to provide the best possible result, it also ensures that faculty representatives have the respect and trust they need from their own colleagues that they are being adequately represented. This trust will be undermined when adequate consultation is not provided.

Rolla: The budget is the biggest concern. The retirement contribution plan is the biggest issue. It all happened so fast that the faculty feels left out. A department was eliminated on the Rolla campus. This created a problem because it impacts other departments who use their courses. The faculty was informed by an email that the department would be eliminated because they had not met their student count. No one thought the decision was a bad decision, but it was a process problem. There are questions about where the courses will be taught? Where will the faculty go? The biggest problem was that there was no warning. This was a new department and the department decided on the numbers that they did not reach. Betsy is scheduled to come to Rolla in the near future. The Faculty Committee is recommending that Rolla join the pilot grievance process. It will be voted on tomorrow.

President Forsee: We need to be concerned about the budget. We are in a down cycle. The longer we wait the more difficult the decisions will be and the more it will hurt. We need to mediate the impact on programs. What is the risk of putting the stimulus money into a one-time budget (core budget)? The University must stay on high alert so that the plans we are making will stay us in good stead. There is a discussion of what to do with the stabilization fund. Where should it be placed?

The question was asked if departments are eliminated, where will the faculty and staff go?
President Forsee and VP Knorr just returned from Jefferson City. The University is having a once-in-a-lifetime issue with the budget and it is having a serious impact on our mission. We are trying to do damage control and to buy time right now. The President asked everyone to stay on high alert. He is reluctant to do furloughs. We should have more information in a few more weeks. The Governor is waiting for the stimulus money to arrive before he makes firm commitments about the budget.

The President thought the campuses did a good job at the Curators meeting. Each campus talked about what they are doing to decrease their budgets. President Forsee talked about prioritizing a list of actions for the University. He wants to know where we want to be in the future. He agrees that the group is “spot on” about the letter, but at the time the dynamics of the moment called for it to go out immediately.

The Council was told that our salaries will probably remain flat through 2010. The President posed the following questions to the group. The general assembly has begun consideration for ideas on one-time funding. How would you use one-time dollars versus recurring dollars? Would you preserve the pension plan or salaries? Think about a defined benefit pension plan? Or look at other types of benefit plans.

Responses from IFC members include the following: If the pool is small this makes the consideration even harder; it depends on how large the pool is. Are we talking about low salaries but a good benefit plan? What you have is a trust issue. What are the guidelines and principles? One of the IFC members made a point about the differences in a defined benefit plan versus a defined contribution plan.

Comments from the VPs: We have no better advocate than the President for advocating for salaries. We know we get better buy-in when we talk things over; however, the President had to make a call quickly. The approach that the System took was to protect the retirement. The President knows how things get done. We don’t have a different point of view. When tough decisions have to be made then experts need to be brought in. President Forsee is spending most of his time on what strategically needs to be done. What is most important to our future? If we need to prioritize then we will do it. Some level of investments must be done to keep us solvent. We need to ask what the structures that will make the difference are. The President wants the University to become better. We need to protect the vision and the mission of the university.

IFC Members: We appreciate your comments. We have a high level of frustration because of communication and process issues. There are things that you can do to eliminate these issues. Trust is the key word here.

President Forsee talks about the trips to the campuses “town hall meetings.” He further suggests there could be additional trip to the campuses.

There has been no commitment to say that the money in the stabilization fund will not be used for other means – for example buildings. Faculty and staff worry that this is only the first 1% that will be asked from them. The fear is that System will eventually ask the faculty to
contribute the entire percentage. The faculty wants some type of assurance that this will not be done.

A couple of weeks ago we had a meltdown about the process. The quality of the relationship has been hurt. KC got more than 250 emails regarding the retirement contribution plan. We understand that sometimes a decision has to be made and that time is of essence. It would have helped if we had a chart on how the money flows. We could have used this to support the decision. If we had had more detailed information we could have assisted the President. The IFC is the President’s chief advocate.

President Forsee has gotten over 400 emails. He agrees with the points we have made. What complicates the issue is that he cannot always see what the Governor is going to do. Who would have thought he would have taken a 50% cut out of a line in the budget.

We built the stabilization fund over the last couple of years. Our intent is to use it for pension and salaries, but we cannot put a fence around it in this budget environment. Right now one of the charts shows that the System contribution could go up to 12%. Where do we get the money?

President Forsee responded; let me chew on those two points. Philosophically, it is this group that he wants to run things by. There is a possibility of a one-time stimulus. It will not be recurring.

KC knows that the President received a long email from one of their faculty. The sentiment was if the System is thinking about protecting the lower paying staff why didn’t he look at a more progressive solution, one with more increments.

The question is how much can the System absorb? What can our systems do (people soft)? The complexity of it is the difficulty.

Again, the major concern is changing the structure of the retirement plan.

**Vice President Knorr’s Report:**

There is a lot going on in Jefferson City, mainly what will happen with the Federal stimulus money. The Governor is having a press conference today. The problem is that we don’t know what the rules are or whether UM will qualify for the money. VP Knorr highly recommends that all faculties call their research granting agencies to make certain they will get all the money that is in their budgets from grants, research dollars, etc.

There is a part of the stimulus money, 18% of the $54B that can be used for maintenance and repair. It’s not a lot of money. The legislators do not want to use one-time money for ongoing projects. We do not know if we will be able to use this money because there are so many strings attached.
Questions from IFC members include the following: Because of the economy, will the general assembly be going to biannual budgeting? What about rotation of terms on the Missouri Assembly? What about MOHELA money? Are other state employees taking pay cuts? Is the UM System the only institution of higher learning that is taking cuts? Are you tracking bills in the legislature that apply to higher education? What is the message we should be taking back to faculty?

VP Knorr responded that MOHELA is not dead and gone however no one is buying now. MOHELA gets a large amount of the state’s business. If they go under then everyone will go under. They have the strongest bond business of anybody. No, other state employees are not taking a pay cut; they are getting a 3% raise. No, the UM System is not the only institution of higher education taking cuts. Next week, President Forsee will be in Jeff City to keep issues in front of the legislature. The President has taken on the issue that private schools are getting twice as much as public schools through Access Missouri. Yes, we are tracking bills in the legislature that apply to higher educating. This afternoon we will have a vote on a new curator. Students want a student curator. Legislature is voting on this today.

The legislators are asking the President to justify costs. There could be a $700M gap if they don’t use discretionary money. We are hoping for the best, but preparing for the worst.

We are lucky to have President Forsee as an advocate for higher education. He has made the legislators understand that higher education did more than its share the last time we made cuts. Five or six years ago the legislature thought we were plush. They no longer think this. We need to let Joan Bray know that we do not want UM’s retirement fund to be combined with the State’s retirement fund.

2:00 p.m. VP Knorr left.

The Gee article was sent out to stimulate thought. We must think about what the new employees want. The defined contribution plan is too much of a risk.

The faculty feels that we have imported the business model into the university. People see how the business model has gotten us into this mess. Are we going the way of business? Are we going to get ourselves in more of a mess because of this? It is important for the President to understand the culture of the University. There was more discussion about the perception of faculty and the issue of retirement benefits.

VP Graham commented that at the end of the day we are going to have to look at what’s profitable and what is not profitable. IFC Members did not agree with the term profitable. The conservatory will never make a profit; it is best to think of us as a non-profit.

President Forsee asked the Chancellors what savings they were making. Can we continue to work on these scenarios? What things should be happening on our campuses to keep the integrity of the academic programs?

2:45 p.m. adjourned.