

**MINUTES OF THE MEETING
OF THE FACULTY SENATE**

NOVEMBER 6, 2013

PRESENT: Boboc, Delatte, Duffy, Ekelman, Genovese, Goodell, Gross, Henry, D. Jackson, Jayanti, M. D. Jones, Kalafatis, Karem, S. Kaufman, Kent, Kosteas, Krebs, Lehfeldt, J. Lieske, Liggett, Little, Majette, Margolius, Marino, Meier, Nawalaniec, Resnick, Rickett, Sridhar, Steinberg, Welfel, Wolf.

Artbauer, R. Berkman, Dumski, Ford, Halasah, Mageean, Stoll, G. Thornton, J. Zhu.

ABSENT: Berlin Ray, Delgado, Dixit, Doerder, Fodor, Geier, G. Goodman, Gorla, Hoffman, May, Niederriter, Rashidi, Talu, Visocky-O'Grady, Vogelsang-Coombs, J. G. Wilson, Witmer-Rich.

Boise, M. Bond, Boychuk, C. Brown, Fedor, E. Hill, Karlsson, LeVine, Lock, Mazzola, McHenry, Novy, Parry, Sadlek, Sawicki, Spademan, Triplett, B. White, Zachariah.

Senate President Joanne Goodell called the meeting to order at 3:05 P.M.

I. Approval of the Agenda for the November 6, 2013 Meeting

Dr. Goodell asked for a motion to approve the Agenda for today's meeting. Senator Jeff Karem moved and Senator Jim Marino seconded the motion to approve the Agenda and the Agenda was approved unanimously by voice vote.

II. Report of the Faculty Senate President

Senate President Joanne Goodell reported that she finished her class last night reminding her students that the semester is rushing to a close, so it's a good time to look at where we are and how we are going to make it through to the end. This semester seems to have been one filled with deadlines of one kind or another. She knows that many of us are under a lot of pressure, as are the systems we have in place to assist us in our work. When things are rushed and under pressure, small cracks become bigger and

systems that might be fine under normal circumstances break down. She hopes that as we progress through these next few months, we can all take this into consideration when things don't always go according to plan, and try to keep a cool head. She noted that her colleagues in Education know that she is referring to a particular situation.

Dr. Goodell stated that at our last meeting, President Berkman told us of the possibility of a capital budget from the State. She said that she knows the Provost and others have been working on putting together a proposal for that, but she does not know any of the details. Hopefully we will hear a bit more about the proposal later today.

Dr. Goodell noted that the Provost will convene the University Space Committee this month to begin its work. We have two faculty from the Senate Committee on Academic Space who have agreed to serve on the University Space Committee – Judy Ausherman and Barbara Margolius, and we are looking for nominations for an at-large representative. Dr. Goodell asked Senators to please forward to her any names that they might want Steering to consider by the close of business tomorrow, November 7, 2014.

Professor Goodell reported that Steering is also searching for a faculty representative to the Student Government Association for this year. She again asked senators to please let her or Violet know if anyone in their college is willing to do that.

Dr. Goodell reported that the program submissions for the 4 to 3 conversion are progressing and she has received emails about the programs on today's agenda to approve them once they are approved by Senate today. She added that she is hoping to get lots more emails in the next few months. She said that she is sure Professor Kosteas will give Senate an update on how things are going with course and program approvals later in this meeting.

Dr. Goodell stated that the 4 to 3 implementation group has met three times, and will continue to meet on a bi-weekly basis through the spring. We will hear from the Provost later in the meeting with a brief update on what is happening regarding planning transition guides and working with advisors. The Admissions and Standards Committee has an item to discuss that arose in one college but has implications across the entire campus that they will be presenting at the next Senate meeting in December.

Finally, Professor Goodell commented that she is sure that some people saw the reports in the *Plain Dealer* and received the email from the AAUP Chapter about the issues in the Law College. It is very upsetting for her and she is sure for many faculty to know that legal action has become necessary and that the University rejected mediation. Dr. Goodell said that she remains hopeful that there will be a speedy resolution to the issues under consideration.

III. Report of the President of the University

President Ronald Berkman said that he had intended, without consulting with Professor Goodell, to talk about the capital budget first and to give Senate an update on

yet another expedited project. The State-wide capital budget process is essentially slated to begin and end within a six or seven week time frame. President Berkman said that on November 1, 2013 we were asked, all the community colleges and all of the senior colleges – we were given about two weeks of lead time – to submit a capital budget request for the next six years. The focus of the Capital Budget Commission, and he believes he informed Senate previously about the work and the composition of the Commission of which he is a member, will focus on only the first two years of the capital request. But for whatever purposes the legislature and the Governor had in mind the exercise will go through a six-year planning and six-year request. President Berkman reported that it is an exercise – he uses the word exercise advisedly because no legislator can really submit another expenditure in another biennium expenditure pattern so we will be deciding on the capital appropriations for this biennium. He noted they will be submitted to the Governor by the Commission on or around December 15, 2013. There are about sixty proposals (58 proposals) with all of the community colleges and senior colleges that have been submitted to the Commission. President Berkman said that he would inform Senate what CSU submitted.

President Berkman said that as everyone knows, in the last round of the capital budget process, we made a decision to focus on Engineering because of the physical needs of Stilwell Hall and the eminent health and safety issues and other issues that we had in Engineering and the need to re-engineer Engineering to be telling enough for the State in terms of focusing our appropriation on Engineering. This year, the vast bulk of the Capital request is dedicated to classroom and student learning laboratory renovations. We took the liberal interpretation of the guidelines which said that we may ask for between ninety percent and one hundred and twenty percent of what we received in the last Capital Bill allocation. President Berkman commented that he is sure that a lot of universities asked for ninety percent of what they received. President Berkman reported that he had a conference call on Friday with the Commission and there were people who construed one hundred and twenty-five percent of what they received and really need two hundred and twenty-five percent of what they received. He reported that we submitted a request for \$15.6 million and again, the vast majority of it is focused on the renovation of classrooms and renovation and re-configuration and re-design of learning laboratories – laboratories that would be used collaboratively by Engineering, by the College of Sciences and hopefully by the College of Liberal Arts and Social Sciences staff as those laboratories become venues for design and innovation projects as well as learning facilities for students.

President Berkman reported that the biggest single item went into Main Classroom renovations. So we requested \$4 million for renovations of classrooms in the Main Classroom building; we requested \$10 million for renovations of classrooms and laboratories in engineering and sciences; and we requested \$1.6 million for renovation of a space to create for faculty a Center for Research and Innovation. He stated that this adds up to \$15.6 million. He noted that we really tried this time to keep two things. He stated that our request for engineering was the proper thing to do and we certainly got high grades from the last Commission – we received all of the money we requested. But, this time the priorities were the state of our classroom spaces, which are abysmal in many

respects and the state of our laboratory spaces. Students have come from high schools with laboratories that are better equipped and with more modern laboratories than what they encounter when they come to the university. So, we focused on bringing those laboratories, not just up to step, but also bringing those laboratories into a configuration that allows for interdisciplinary use and interdisciplinary learning. President Berkman noted that the final \$1.6 million, again, is a project for collaborative needs of sciences and engineering to create the Center for Research and Innovation.

President Berkman said that we don't know for sure what the Governor will recommend. He noted that he mentioned to Senate last time that community projects were not in the last capital budget. So, arts programs, recreation programs, social service programs that run through communities will also be eligible to participate in the Capital Bill process. President Berkman noted that we don't know what the final number is going to be but again, we did ask for one hundred and twenty-five percent of what we got the last time around and he is hopeful that we will get proportionately somewhere near that.

President Berkman reported that the Commission will make its recommendations to the Governor on or before the 15th; the Governor will make a recommendation to the Legislature before January 1st and hopefully, after the New Year's recess, the Legislature will take up consideration of the Capital Bill. President Berkman said he knows we have formed the E-Learning Committee and it is important that we have a collaborative discussion about E-Learning and Distance Learning. They are in the air and they are everywhere. They change from day to day but to whatever degree and to whatever direction and to whatever venue, it is clear that there is a paradigm change going on that is going to impact higher education. The Governor himself as well as the policy people are interested for the State to pursue a strategy and he thinks it is extraordinarily important for us, as a faculty, as a university, to have some robust discussions about where, as a university, we want to position ourselves in terms of this, still not completely identified but certainly an urgent paradigm. He said he noticed today in the *Chronicle* that Stanford went back to an open courseware platform that they are going to use to develop themselves. So we found out from the beginning that the ground is shifting swiftly and people are changing position but it is extraordinarily important for us to try as a faculty to develop a strategy in terms of both E-Learning and Distance Learning as it is constituted right now at the university. President Berkman said that they have encouraged Senate President Goodell to work in terms of moving that issue into the next generation of the Strategic Plan.

President Berkman stated that as he mentioned at the last Senate meeting, the Board of Trustees is extremely interested in the issue of faculty evaluations. The chair of the Academic Affairs Committee has requested that the issue be put on the Board's Agenda for this coming Academic Affairs Committee meeting. He noted that he asked the Provost today to talk with Professors Duffy and Goodell about putting together a slide presentation of the work that has been ongoing from the Faculty Senate in terms of faculty evaluations. He noted it is an issue which, for some Board members, has a great deal of energy and he thinks that this would be a wonderful opportunity for the Faculty

Senate and the administration collaboratively to get ahead of the issue and be able to have some role in agenda setting or boundary control in terms of where this issue tends to go. President Berkman noted that the next Board meeting is one week from today. So this issue will be a subject in Academic Affairs and then will probably carry over and become the subject for the full Board of Trustees meeting. Again, President Berkman said that this is continuing to be an issue that the Board is concerned about.

President Berkman stated, “Kudos to the Law School” for those who may have missed it, the Law School Bar pass rate for first takers or all takers was ninety-three percent. It now regained its position of supremacy in the State of Ohio or next to supremacy in the State of Ohio after the Ohio State University which had a ninety-four percent pass rate. The Law School has always carried with it a reputation that students were successful gaining access to the Bar. We have had some slippage over the last couple of years. Maybe people don’t follow the issue closely, but we had some significant slippage in the pass rate. Again President Berkman said, “Kudos to the faculty and to the leadership in the Law School for producing a ninety-three percent pass rate on the Bar Examination.” President Berkman added, “That’s very impressive.”

Finally, President Berkman said that he wanted to introduce everyone to another challenge for the university. That is both the challenge and of the implementation of the Affordable Care Act. He is going to participate in a session at the Association of Public and Private Universities in Washington on Sunday. In preparation for this, President Berkman said he actually read a 200 page synopsis of the Accountable Care Act. He noted, actually what you will find there, and we will find a venue to talk about this more completely, it is not only about health care transformation but the legislation can be interestingly, a higher education transformation plan. There are really, very significant opportunities for universities across disciplines, and by the way, the opportunities are not solely opportunities for the health sciences, nursing and medicine. There are very interesting opportunities for IT, very interesting opportunities for statistics, for biostatistics, opportunities for education, opportunities for communication. What’s going to follow after all of the political pyrotechnics, or what’s going on now, assuming this is going to remain law, what’s going to follow at least in his estimation is one of the most dramatic public policy transformations that he has ever seen in the nation. He said that it estimated that twenty-nine million citizens will in one way or another be impacted by the implementation of the Affordable Care Act. He noted that Kaiser Foundation came out today and said that 555,000 Ohioans will be eligible for either Medicaid extension or tax incentives or subsidies to buy health insurance – that’s seven percent of the entire population of Ohio. Much of this act again is focused around outcomes. It is focused around a new paradigm for how health care will both be delivered and how it will be compensated. It is a complex but an interesting opportunity for us as a university to try to step out ahead in partnership with obviously some of the nation’s major providers and take advantage of it. At this point, President Berkman said that he will take questions when we get to item VIII Q&A.

IV. Report of the Provost and Chief Academic Officer

Provost Deirdre Mageean said that she would like to spend most of her time talking about the transition that Senate President Goodell mentioned. We are particularly focused on guidelines and principles as well as the transition. As she mentioned at the last Faculty Senate meeting, a Transition Team has been formed to devise this and that team is comprised of Dr. Goodell, President of Faculty Senate, Dr. Nigamanth Sridhar, Vice President of Faculty Senate, Bill Kosteas, chair, University Curriculum Committee, Jim Marino, chair, University Admissions and Standards Committee, Janet Stimple, University Registrar and Kevin Neal, Associate Registrar, Teresa LaGrange, Vice Provost, Peter Meiksins, Vice Provost for Academic Programs and herself. Provost Mageean noted that they have met four times. They will be working every other week to advise us. In addition to the team meeting to look at all of these issues, there may be conversations with various bodies to help inform our decision-making. Provost Mageean said that they have spoken to the Deans, to the Associate Deans and, this morning, Peter Meiksins and Teresa LaGrange were speaking to the counseling advisors because they are after all the troops in the transition dealing with these issues most. Provost Mageean stated that they will also be getting the appropriate feedback from the Admissions and Standards Committee and the University Curriculum Committee. When we have most of that feedback, we will be working to finalize the Transformation Team's principles so we will be setting up document summing along the lines of preparing students for curriculum conversion. We will actually be giving the different kinds of transition guides that apply to students in various disciplines and then some examples of cases that may present themselves.

Provost Mageean noted that they understand that the process is different in every college and Business Administration has a big central advising office and other colleges do as well but we only will be working in coordination and collaboration on this. Clearly, whatever the advice, the principles and guidelines are pretty direct. It is hoped that there will not be too much deviation from these general principles because this is something that has to be set for the whole university. A survey was sent out to each department to help them further with this transition. The survey takes all of five minutes to fill in and that survey should give them information to help them on what additional resources they will need in their departments and colleges to get work done and move the students through on their transition. They recognize that this is going to be a lot of work. In many cases, it will be up to the faculty who know what is best. They understand that for some departments this is particularly onerous. At this point in time, two-thirds of the departments have responded but unfortunately some of them haven't responded yet. Those with the largest numbers of majors, who have the greatest need for resources, have not yet responded to the survey. Really, for five minutes work, we can get you the resources and identify those resources. So it is in the interest of those departments to get those spread sheets filled in and sent back to the Transition Team as soon as possible. Those guidelines that will go out will have the resources that departments need stipulated in the document. We certainly need to have those in place before planning for spring is done because the Chairs and the Deans need to know this information in order to schedule courses or plan for faculty buy outs. Provost Mageean asked those faculty who are not department chairs to go back and ask their departments to fill in that survey; the Task Force will appreciate their help.

Provost Mageean stated that one group, adjunct faculty, will be affected by this process. There is a difference in how we compensate adjunct faculty – some may be by the course and some may be by the credit hour. There is a risk that the adjuncts will be adversely affected if they were paid by the credit hour. Say they are carrying four courses which would only be at sixteen to go down to twelve. She noted that she and the President have discussed this and obviously they have to run these things through with finance and other people. At this stage, they are supposed to hold the adjuncts harmless so they remain being paid for their credit hours. She said that they know these are people who are not well compensated. The five percent increase that Provost Mageean authorized earlier this semester was enacted to try to do something for adjuncts and to be sure that we don't lose some of these really good people to other institutions who are in the position to compensate them better for the work that they do. She added that they will be working that through.

Provost Mageean commented, and this is interesting because it matches the whole concept of formats and benefits – clearly one thing we also have to look at are the instructors and how they will be affected by the new format and eligibility for benefits. So a group of our colleagues will be paying very critical attention to this issue and that is something we plan to do very quickly as we move forward.

Provost Mageean stated, speaking to metrics, that she knows that in this institution as in many institutions across the country there is general concern about the ratio of full-time tenured faculty to part-time and adjunct faculty. So to help her as a newcomer with these things, she has sent out to all the colleges very detailed spreadsheets that they need filled in listing all of the adjuncts, which courses, what numbers – reasons why an adjunct was appointed to that course. Reasons could range from a sudden retirement, or death, or illness, or something anticipated. This is really giving us an opportunity to look at the numbers in each department or college, the reasons and how that stands relative to the numbers of full-time tenured and tenure-track faculty. She added that this is something she is really going to look at. As a consequence to that too, she also wants to look at where adjuncts are being deployed. She is focusing on this information with respect to GenEd courses. She noted that we have all identified that GenEd courses are critical for student success. The big question is who is teaching them. Dr. Mageean noted that when they have these numbers analyzed and available she will bring that back and report to the full Faculty Senate and also to some of the standing committees

Provost Mageean stated that this is largely her report. She noted that her good colleague Andy Gross, who is not shy in sending her a few questions from time to time, did ask her some good questions about various strategic plans. She noted that everyone will see on the President's web page or her web page the University's Strategic Plan and there are a lot of other parallel efforts going on. The President mentioned the requests for capital money. Here at CSU we are looking at where we might prioritize efforts around events and requests and gifts and donations outside the university. We will be starting up again looking at our hiring process. She noted that all of these things will be moving in

parallel. She added that this also means that similar things should be done to other parts of the house. We might be looking at academic resources, looking at efficiencies there, looking at whether there is any possible growth. The President has asked that whatever parts of the university where we can derive efficiencies or savings and then of course we take a look at the university as a whole in understanding how the budget flows and what we do and how we move forward strategically. She stated that her good colleague, Dr. George Walker, is the key point person and he is helping us certainly to move the agenda along and to help coordinate all of those different parts. So, it is not just the academic sector of the house and any and all things, but it is all the things that we do. Addressing Dr. Gross, Provost Mageean commented that she hopes her response answered some of his questions for now. Finally, Provost Mageean noted that she would be happy to answer any questions

V. Report of Student Government Association (Report No. 21, 2013-2014)

SGA Vice President Allie Dumski noted that she will summarize the notes that SGA President Jon Fedor left for her. First of all, SGA President Fedor wanted to thank everybody who participated in Homecoming – it was a great success. She personally enjoyed the tents where the faculty were at. She had a chance to interact with some of her business professors and her dean so it was a nice new addition to Homecoming. She added that SGA was glad to help with that.

Ms. Dumski stated that next week SGA is sending representatives to the Ohio Student Government conference in Columbus. She noted that they are very involved with OSGA and are enthusiastic about their support for the House Bill 111 which will provide students on the Board of Trustees with voting rights. This is something new and SGA is very supportive of it.

Ms. Dumski reported that SGA's new web site is up and she encouraged everyone to check it out. This is an effective way to reach SGA and a good tool to advertise events for students. Speaking of an event, she noted that students have taken notice of President Berkman's presence on Twitter and she welcomed him.

Ms. Dumski mentioned that if anyone would like SGA to promote for their college, to let Student Government know; they can post it to the SGA Facebook as well.

Ms. Dumski reported that SGA's traditional late night study at the Library will continue this year starting on December 5, 2013 through December 12th from 10:00 PM to 3:00 AM. She noted that last year, over 2,000 students utilized this service so it seems to be pretty important to the students. She asked everyone at Senate to help promote SGA's late night study at the Library.

Ms. Dumski stated that students also would like to give a shout out to the UCC for all of their continued hard work on the credit conversion. She noted that SGA's student representative on the committee has been bringing reports back to SGA and it is

really beneficial to know what is going on and to be able to inform the students that are coming into the SGA's Office and asking questions about the conversion.

Finally, Ms. Dumski thanked Senate for having SGA at Senate meetings.

VI. University Curriculum Committee

Dr. Kosteas, chair of the University Committee, commented that on one program revision, he got a little carried away with a minor listing, a Minor in the BBA in General Business which doesn't have a minor, just a major so this is a little change. He noted that there are a couple of other majors to look at from the College of Business but one common thing UCC has looked at in proposals is that there was a fairly minor change to the common core in most of the Business majors. After that, each major had its own specific set of changes and they all fall within the 120. In general, if anyone wants more specific information, please go onsite to find all of the updated materials. For the sake of his sanity he will not be providing the types of summaries that he usually provided in the past when there were two or three major recommendations up for a vote. At this point, Dr. Kosteas asked if there were any questions on any of the UCC's proposals. There were no questions.

A. Proposed Undergraduate Program Revisions as part of the 4 to 3 Conversion (Report No. 22, 2013-2014)

- 1. BBA in General Business (Major and Minor)**
- 2. BS in Computer Information Science (Major and Minor)**
- 3. BBA in Management (Major and Minor)**
- 4. BBA in Information Systems (Major and Minor)**
- 5. OSM (Major and Minor)**
- 6. Accounting (Major and Minor)**
- 7. Finance (Major and Minor)**
- 8. Marketing (Major and Minor)**

Senate President Goodell stated that the University Curriculum Committee has proposed Undergraduate Program Revisions as part of the 4 to 3 Conversion: BBA in General Business (Major and Minor), BS in Computer and Information Science (Major and Minor), BBA in Management (Major and Minor), BBA in Information Systems (Major and Minor), Accounting (Major and Minor), Finance (Major and Minor) and Marketing (Major and Minor) and asked Senators to vote. The eight proposed Undergraduate Program Revisions in the College of Business Administration were approved unanimously by voice vote.

Senator Raymond Henry commented that Dr. Kosteas had included the proposed revisions to the OSM Major and Minor program and Senate President Goodell did not mention that proposal in the motion to approve the UCC's proposals.

Dr. Goodell then stated that the University Curriculum Committee had proposed Undergraduate Program Revisions to the OSM Major and Minor and asked Senators to vote. The proposed Undergraduate Revisions to the OSM Major and Minor were approved unanimously by voice vote.

B. For Informational Purposes Only (Report No. 23, 2013-2014)

Dr. Kosteas noted that he has also listed “For Informational Purposes Only” items. He stated that the first two items included several hundred undergraduate course revisions and proposals that were approved and a couple of Graduate course revision proposals that were approved. Also the Pre-Development Plan for the Master of Taxation Program was approved.

- 1. Undergraduate Course Revisions as part of the 4 to 3 conversion: Biology, Civil Engineering, Engineering Technology, Mechanical engineering, Electrical and Computer engineering, Chemistry, Geology, Environmental Science, GEO-EVS**
- 2. Graduate course revisions as part of the 4 to 3 conversion: History, Biology, Geology and environmental Science**
- 3. Other proposal: Pre-Development Plan for the Master of Taxation Program**

There were no questions or comments on the three “For Informational Purposes Only” items and Faculty Senate received the informational items from the University Curriculum Committee.

Dr. Kosteas stated he would be happy to report on the last departments’ initial course program proposals finally coming through. He is not going to mention the additional course proposal revisions that UCC is now starting to see from many departments. UCC is trying their best to get all of those to Senate. He noted that there are several additional course revision proposals both at the undergraduate and the graduate level and basically he is trying to shove all of those to the top of their agenda. UCC has scheduled an additional meeting for next week for one hour. He added that there is still the prospect that they may not see some of these, especially at the graduate level; some of these additional course revision proposals not making it through on time. He noted that some of these are not making it to Graduate Council and to UCC in time. The Registrar’s Office has a November 22, 2014 cut off for putting together the course schedules. This means that UCC has to approve these by November 15, 2014. UCC cannot approve these at 3:00 PM on Friday, November 22nd and expect departments to be able to submit their schedules. UCC is working as hard as they can. UCC has a long list of programs to get through. Dr. Kosteas commented that faculty should not hesitate to ask questions. If your program has submitted other proposals that are not related to the 4 to 3 conversion, maybe put them on the back burner. There are certain things like course revisions that are more time sensitive than new course proposals. UCC can still get your course proposals through. So, if anyone here is wondering why their respective

colleges' proposals are not coming through, the reason is how the UCC prioritizes their agendas – the most time sensitive material is dealt with first.

Finally, Dr. Kosteas wanted to comment on the perception that the UCC is undoing the efforts of the college Curriculum Committees. He added that some people are using the UCC as the scape goat here and that is not always true. He appreciates all of the work the college Curriculum Committees have been doing especially how they have been able to filter out some of the problems with proposals before they make it to the UCC.

Senator Beth Ekelman commented that the details are just mind-boggling so good luck. She said she doesn't know how the UCC is going to do it.

Dr. Kosteas responded that he isn't sure either. He added that to be honest, he knows that faculty have had conversations with their colleagues. This is coming at the expense of our research agendas and he is personally very concerned about that because he sees the prospect of research being put on hold. Given the recent changes that we've had to workload guidelines, he personally wonders how we are going to do this. He is looking at the prospect of delaying his application for full professor. He added that many of us face this. So, it is a complicated process and UCC is doing the best they can. He said this before, that he believes unfortunately he only sees this as round one because we had to do this in such a rushed process, far from ideal, far from what he would have proposed in terms of process. Unfortunately, he sees next year as the beginning of round two where departments will have to figure out what they would have liked to have done. The first time around it's hard to do that. This pertains to a lot of issues like catalogues, etc. and it is a very complicated process.

Senate President Joanne Goodell offered her extreme gratitude to the University Curriculum Committee and all of the other curriculum committees. A round of applause ensued.

Senate President Goodell noted that we don't have a report from the Admissions and Standards Committee today but we do have a report from the Budget and Finance Committee.

VII. Budget and Finance Committee (Report No. 24, 2013-2014)

Dr. Andrew Resnick, chair of the Budget and Finance Committee, presented the committee's report. He noted that the next meeting of the committee is on November 12th and the next PBAC (Planning and Budget Advisory Committee) meeting will be on November 21st. He stated that the only two items he has are for informational purposes only.

A. Brief Summary of CSU FY 08-13 Actual Operating Budget Expenditures

Dr. Resnick noted that one question they have been asking is how much of the operating budget is spent on academic versus the administration. They first tried to have a summary of the operating budget expenditures or actual expenditures, not planned expenditures. So he just broke it down to percents rather than dollars just to make it easier reading. He said that he believes the trends are pretty clear.

For the first chart, Professor Resnick pointed out that these are accounting codes; these aren't split out like for the budget so it's a little bit different comparing these numbers with the next chart. It isn't necessarily straight forward because accounting codes don't easily match with 'academic' or 'administrative' budget lines.

B. Brief Summary of CSU Board of Trustees Financial Affairs Committee Approved University FY 2014 Budget

Moving to the next page, Professor Resnick noted that this is the proposed budget approved by the Board of Trustees. This budget was created using the scenario of a 2% undergraduate tuition increase, 9.5% Law School tuition increase and flat enrollment. He noted that this is a planning document, and is as accurate as possible. In addition, he noted that he had mentioned at our last meeting that tracking expenditures are very difficult and typically actual budgets have listings of expenditures considerably longer than this, so what he did was chunk together different groups. The first three numbers are specific tracked expenditures straight out of the budget but the next few lines are sort of chained together to reduce the total number of categories. As you can see, the percentages drop off very rapidly after the first few lines.

Dr. Jeff Karem thanked Dr. Resnick for the budget information and said that it is extremely helpful. He noted that he had two specific questions. First, what does "Outside Services" entail on the second sheet of his committee's report.

Assoc. Vice President of Finance, Tim Long, responded that outside services consist of consulting fees and any kind of contractual arrangements where services or things that are supplied by outside vendors, services rather than product.

Dr. Jeff Karem said that his other point that is off the record is the percent of funding for instruction and research of 4.6%. That is almost a \$10 million change in funding for the core work that our university does for the students and community. He is just wondering if Dr. Resnick or PBAC or one of our representatives could speak to this. He noted there is some concern about this because it seems to be out of balance here.

Professor Resnick replied, "Yes" and said that he really didn't know how much he could talk about that. He stated that these are past numbers but obviously this is a concerning trend.

Mr. Tim Long stated that as Dr. Resnick mentioned, the chart distributed to Faculty Senate was basically prepared by a subset of accounting codes corresponding to construction, research, scholarship, administrative. He noted that if we would cut this a

different way in accord with debt service which we place basically in an institutional or non-academic section of the university, the record, say debt service on the College of Education building and place that in the academic area and break out utilities which we have and basically the plant operation of maintenance, then the picture of the percentages would appear in a different way. The presentation that we have here is by these accounting codes so there are some expenditures that would be classified as institutional but really benefit and support things in the academic area. Now we could cut that a different way and give a different presentation of this. We have done it this way for years, not that this is the best way, but at least accounting wise as they come out of our system we use these standard classifications. He noted that it is a little bit misleading and he just needs to point that out for this could be cut and arranged in a little bit of a different way. But, by this measurement, yes, those percentages do exhibit the trend that Dr. Karem is bringing up.

Senator Sanda Kaufman commented that this is very interesting, precisely these trends where all these years are the same.

Mr. Tim Long responded that one of the things you need to keep in mind is that the whole issue of the debt service obligation we've taken on the past five or six years at the university, we are in this presentation, we have the debt service classified as a non-academic for the institution expenditure. He added that has done a lot to basically amplify those percentage differences. He stated Dr. Kaufman's point is well taken on the trends she is seeing, and he wanted to let everyone know that there are significant expenditures and where we classified them on this chart has an effect on that trend.

President Ronald Berkman noted that he wanted to add just one other piece and that also is the recollection in 09 that we took a 15% budget cut from the State which impacted lots of operations. He said that it caused us to move some additional money into scholarship dollars as PELL changed and as the Federal line programs and summer PELL dried up, but we tried to protect all of the PELL students. We didn't have enough money for students to finish their curriculum. He noted that the other thing that would help bulk up the percentage in academia is if we complete the searches that are out there. There are forty searches between last year and this year. He added that when we complete those searches and forty more faculty come on board as a result of those searches, we should see an upward trend. He agrees that it has remained relatively steady since 09 but we would like to see it begin an upward trajectory and those forty positions should be the beginning of that upward trajectory.

Senator Joel Lieske commented to Dr. Resnick that Senate has talked about this before at the previous Senate meeting – debt service was at six percent and now it is 7.4% which is what it was when he and Dr. Resnick both served last year on the Budget and Finance Committee. We had to borrow \$5 million in general fee bonds which was intended to refinance old debt within and then the other \$75 million for deferred maintenance and capital improvements. Dr. Lieske stated that the point he is making here is that we are at 7.4% debt service. He wondered what plans are being made for reducing the new debt for deferred maintenance and capital improvements. The main

question he has for the President and the Provost, the water main break in Rhodes Tower, wasn't catastrophic fortunately, but what would happen if the Library or IS&T were taken out. These are the heart and soul of the university and there seems to be a problem in Rhodes Tower with deferred maintenance and the intention here to take on this issue and restore the integrity of Rhodes Tower.

President Berkman stated that he would let Tim Long speak out to some of the particulars but obviously the word that is the most important to Dr. Lieske is "deferred." The maintenance and the upkeep and the restoration and the integrity of these buildings has not been addressed for almost three decades. As he said, yesterday when we were talking about this, he didn't like going out and borrowing \$40 million or whatever the dollar number we needed. No one gets a flag run up for them for doing deferred maintenance at a university but it had been deferred for so many years, and Rhodes Tower is a prime example. It is in many respects, a ticking time bomb.

President Berkman stated that he opened the master planning process as part of that process to begin to develop some contingencies. For Rhodes Tower, taking it down is not a contingency; it's about \$20 million if you want to take Rhodes Tower down. So, it's not a contingency. It will make a very expensive billboard when its utility diminishes. Responding to Dr. Lieske, President Berkman said, again Dr. Lieske is absolutely right -- if a part of the master planning process is a central piece of that, it is Rhodes Tower and how we begin to program around Rhodes Tower.

President Berkman stated that there is an awful lot to talk about in the six-year request given the notion that we won't be able, in the very near term, to relocate everything -- IT, the Library -- that is a connectivity of Rhodes Tower and the next four years, a lot of it is Rhodes Tower. He added, "Keep your fingers crossed."

Assoc. Vice President of Finance, Tim Long, stated that the capital plan to be submitted to the State, is not for academic years 2015 or 2016. We are actually really concentrated on, the out years of 2017, 2018, 2019 and 2020. We probably have over \$7 to \$8 million needed to put into Rhodes Tower. Now as the next two-year capital budget cycle and those years move up, then we will start putting in for other things. However, in the bonds we sold in 2012 in addition to the Health Sciences Building, we included deferred maintenance projects identified to the tune of \$40 million. Some of those are Rhodes Tower related. But there is an awful lot more work to be done at Rhodes Tower and to the point of Dr. Lieske's question, what would happen if you would have to react immediately to keep things like providing security for IS&T operations, because that's where our data center is. If we had to react like that as we have these water leaks and things like that, it's a must do. You have to find the resources; you have to fix those things. But long term solutions lie in the capital plans we put forward.

Dr. Goodell asked, "What is the planning process for that?"

Mr. Long replied that some of the planning process has already begun. We just basically have the funding in place at the end of the last calendar year. It takes a little

while to ramp up but, Joseph Han and his team have already prepared the project identification list. One of the items on the project list is over by the Main Classroom building at East 22nd Street. This is the issue with the falling concrete and that project was already underway. We repaired that whole section there which has been not only an eye sore but a safety hazard for a number of years. But we have to prioritize by way of a safety criteria. That process has already started.

Senate Secretary Stephen Duffy said that he would follow up on a previous statement. He noted that at the last PBAC meeting, wasn't it reported that there would be a report from the administrative side of the house on the sense of where the projects are at?

Mr. Long replied that a report would be given at the November 21st PBAC meeting.

Dr. Duffy commented, "So there is going to be a PBAC meeting on this question."

Dr. Duffy stated that another question he had relates to not having all of the positions filled. That money is part of the proposed operations budget and it is not getting spent. Dr. Duffy asked, "At the end of the year when you close out the books, where does that money go? Does it move outside the academic side of the books and into reserves?" Dr. Duffy questioned whether the percentages just discussed would be affected by not filling those positions.

Mr. Long responded, "No, because then they are not actual expenditures." President Berkman said that it would affect the percentages discussed if these were actual expenditures. Dr. Duffy stated that his question is an accounting question. "When you close out certain accounts, how does that get expensed towards this?" Mr. Long replied that it doesn't get expensed.

Dr. Duffy stated that the third question he has is, "When is this information reported to the Board? When do the actual expenditures get reported to the Board?"

Mr. Long replied that year end data is reported to the Board at the September Board meeting. In November they will be reporting our first quarter. So we have already reported our year end numbers to the Board.

Dr. Duffy asked if they reported to the Board in this format that was distributed to Senate. Mr. Long replied, "No, we did not present it in that format to the Board."

Senator Robert Krebs asked, "What percentage of that is interest versus principal?"

Mr. Long replied, "Basically right now, the annual debt service is at \$17 million. As far as the split goes between principal and interest, the majority of it obviously is going to be interest expense. Mr. Long noted that he can get the figures, but the total

obligation is about \$17million out of our operating budget. It goes to service and the money that we borrowed paying off principal and paying the lender for the use of the money.

President Berkman added that one of the incentives for borrowing the money at that time obviously was the interest rates. He said he believed that we saved \$11 million or \$14 million in the refinancing of the debt. Mr. Long confirmed that it was \$14 million in the refinancing of the debt. President Berkman said that the University was taking advantage of historically low market rates to refinance \$93 million of debt that had been here and had accumulated.

There being no further discussion, the Faculty Senate received the Budget and Finance Committee “For Informational Purposes Only” report on the FY 08 Actual Operating Budget and FY 2014 Budget.

VIII. Open Question Time

Senator Barbara Margolius stated that she had a question for Provost Deirdre Mageean about the effects of the Affordable Care Act on our adjuncts. She said that she is concerned that there are going to be bad decisions with some of our better adjuncts by reducing their work load so we don't have to pay for their health insurance. Dr. Margolius asked, “What is our thinking on that?”

President Berkman replied that what he said to HR and what he will say now is that we are not going to follow the Akron example and move faculty from thirty hours to twenty-nine hours. That is a disadvantage to adjuncts in terms of benefits and we will do wherever we can, remembering that it costs money. The University will respect those who have given service to the University and continue to provide benefits through the Affordable Care Act.

Senator Margolius asked, “How do we compute the hours of the adjuncts who are working?”

Provost Deirdre Mageean responded that she was speaking to Jesse Drucker, Assistant Vice President of Human Resources, and they were talking about that today in light of a report they were reading.

Mr. Jesse Drucker, said that we have been using a formula for a number of years to report hours to STRS and the number of credits that would be equal to thirty hours. We had broken it out into an hour's equivalent of credits so we know that if an adjunct teaches X number of credits per semester per year, that's the equivalent of working Y number of hours.

Dr. Margolius commented, that is the question.

Mr. Drucker stated that his recollection is that nine credits equals 30 hours. Mr. Drucker added that this formula has been in effect for at least the last fifteen years.

Dr. Karem said that he wanted to commend HR for maintaining that system of calculation.

Everyone applauded.

IX. New Business

Senate President Goodell asked if there was any new business. There being no new business, Senate President Goodell asked for a motion to adjourn. It was moved, seconded and the meeting adjourned at 4:15 P.M.

Stephen F. Duffy
Faculty Senate Secretary

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