

Minutes, Budget Committee of Academic Senate

Meeting of Jan. 23, 2001 (As approved, March 27, 2001)

Present: Charles Parrish (chair), Marc Cogan, David Edelman*, Charles Elder, Nancy Greger, Michael McIntyre*, Hiroshi Mizukami, John Ofenstein, Louis Romano, Vanessa Rose (late)* William Volz, Shirley Walkowski* James Woodyard.

Absent with Notice: Richard Beltramini, Marlyne Kilbey*, Scott Ransom, Linea Rydstedt, William Slater.

Absent w/o Notice: James Kaltenbach.

***Liaison**

1. The meeting convened at 3:10 p.m. The agenda was approved. The minutes of the meeting of November 28, 2000, were approved.

2. *Report from Chair.* The chair gave a report on progress made with respect to the various tasks that he had agreed to undertake at the last meeting (see page 2 of Minutes of meeting of Nov. 28, 2000). Some of the tasks were completed, and some are in progress:

(1) The chair has not yet arranged for a letter to go out to the chairs of all of the Senate committees asking for their views on budget priorities.

(2) The chair has not yet arranged for a letter to go out to all of the department chairs within the university, asking them to forward to their budget committees a request for information about their budget priorities. He has taken steps, however, to get a mail-merge file with the names and addresses of the chairs. A copy of the report prepared by the Budget Committee this past spring will be attached to the letter to give the budget committees some insight into the thinking of this Budget Committee. The chair has also talked to Seymour Wolfson about the prior practice of doing a survey of department chairs about budget priorities and has obtained a copy of the prior survey.

(3) The chair indicated that he had discussed with Marc Cogan the Budget Committee's request for a follow-up report on the failure of the University to increase by 1% the percentage of the budget going for academic functions.

(4) As requested, the chair provided the committee with a copy of the PriceWaterhouseCoopers (PWC) report dealing with administrative practices at Wayne. The report is in the form of a slide presentation.

The chair also reported that the request of the Budget Committee for the inclusion of an additional faculty member on the Budget Review Committee has been accepted by President Reid. President Reid asked the Policy Committee for five nominees. The individuals nominated were: Marc Cogan, Charles Elder, Charles Parrish, Seymour Wolfson, and James Woodyard. Professor Cogan was selected.

At its last meeting, the Budget Committee adopted a resolution asking the faculty representatives to the Board of Governors' Budget and Finance Committee to express to that committee the concern of the Budget Committee that the Administration's budget request document is inconsistent with the goal of increasing the percentage of the budget going to the Schools and Colleges. The chair indicated that the message was delivered. The minutes of the BOG meeting were distributed. As those minutes reflect, the issue was discussed in some detail by Professors Elder and Parrish. They stressed the importance of reversing the erosion in the share of the budget going for academic affairs, particularly tenured and tenure-track faculty.

The Chair and other members of the Budget Committee complimented Marc Cogan, as a member of the Part-time Faculty Committee, for the fine report of that committee. The report recommended that the number of part-time faculty be reduced to no more than 25 percent of the total faculty. Three deans and three faculty members served on the Part-time Faculty Committee and voted unanimously for the report's recommendation. The committee was formed under the terms of 1999-2002 Collective Bargaining Agreement (Letter of Agreement dated June 16, 1999). At the request of some members, the Chair agreed to make copies of the report available to the committee. Professor Cogan noted that there was general agreement among the deans and faculty on the importance of increasing significantly the number of full-time faculty at the university.

3. *Centers and Institutes.* As requested, Professors McIntyre and Parrish prepared a report, dated Jan. 11, 2001 (distributed at the meeting), on the proposed Institute for Information Technology and Culture. The report recommended approval of the institute. Appended to the report was the budget information that was omitted from the materials previously submitted to the Budget Committee. Discussion followed. It was noted that some of the budget information provided to the committee on the proposed institute is misleading. Although the budget form submitted states that no General Fund money will be required, the start-up money for the institute in fact came from the balance left over from a grant from the Strategic Initiative Fund provided to Marietta Baba, Chair of Anthropology. The grant money initially came from the General Fund. No General Fund money is being requested, however, for continuing operations. The recommendation for approval of the institute was adopted without objection.

The Humanities Center, which is up for renewal, also is under review by the Budget Committee. The chair appointed a subcommittee of Marc Cogan and James Woodyard to prepare a report on that center. That report was not prepared in time for the meeting. The

committee members indicated, however, that they are recommending approval of the request for renewal of the center's charter. The committee voted to approve renewal of the charter, pending the circulation to the committee of the subcommittee's report. If anyone objects to the renewal after receipt of the report, that individual can request the matter be held over to the next meeting of the Budget Committee. If no timely objection is made, however, the recommendation for approval will stand.

5. *Faculty and Academic Staff Access to Computers.* It was noted that faculty and academic staff generally require computers to perform their jobs. Yet some departments and colleges do not have in place a policy for providing access to computers to those who need them. In some units, secretaries using computers merely for typing documents have better computers than faculty members who have more demanding uses for a computer. It was suggested that distribution in some units is treated as a patronage matter. After discussion, the chair agreed to prepare a memo, to be circulated to the committee, that would give guidelines for the establishment of an appropriate policy in each unit on the allocation of computers. The goal is that each faculty and academic staff member have a computer appropriate for his or her needs and that a program be in place for regular upgrading of computers on a three-year cycle. It was noted that any plan for computer hardware should include a plan for software. One member noted that the university now has site licenses for Microsoft products and for the SPSS statistical package.

6. *Discussion of BOG Materials.* The committee reviewed with Vanessa Rose the matters going to the Budget and Finance Committee of the Board of Governors at the meeting of January 24, 2001. The agenda of the BOG meeting and supporting materials were distributed. Only two items are on the agenda – the contingency reserve report and the report on the Michigan Universities Self-Insurance Cooperation (MUSIC). No proposals were included to draw from the contingency reserve fund, which now stands with a balance of \$759,000. It was noted that MSU is withdrawing in stages from MUSIC.

7. *New Business – University Budget Process.* A member asked Budget Director Vanessa Rose about the plans for formulating the new budget. She indicated that budget packages will go out in late February or early March. She is not sure when tuition rates will be addressed. In the past, the Board of Governors received a recommendation on tuition by June, but in the past two years, the tuition issue has been addressed at the July BOG meeting. It was noted that the Chair had agreed to have a discussion at a meeting of the committee on the failure last year of the Administration to consult appropriately with the Deans on tuition increases, especially when the increases were disproportionately large in their unit. The Chair again agreed to put that matter on the agenda of a future meeting and to invite the appropriate university officials to address the matter.

Vanessa Rose indicated that the new budget process will put increasing emphasis on performance measurement. She indicated that President Reid had asked her office to prepare a strategic plan for improving the ability of the university to measure performance.

It was noted that 61 percent of the budget is spent in the divisions (i.e. administrative areas); as a result, any plan for measuring performance that is not heavily focused on the divisions will not succeed. Questions were raised about how to measure performance in the divisions. The PWC report distributed at the meeting apparently does not give any guidance for developing performance benchmarks for the divisions. Ms. Rose indicated that she would be using Heidi data to at least determine how costs at Wayne for performing various activities compared to costs at other universities. She indicated that initially she will be looking at ways of identifying trends rather than at developing benchmarks. She also indicated that the deans had taken a crack last year at developing some benchmarks on the academic side, but not much has come from that effort. The Budget Office is now trying to develop a database of information on items such as enrollment, fund raising, scholarly production, and costs per credit hour.

One member suggested that as part of the communication with chairs and unit budget committees, this committee should attempt to get some information on how the university is fulfilling its two core functions – teaching and research. What the committee should seek is evidence from the trenches on how the university is doing in these two key areas. The point is that if we are not succeeding in these functions, then the university cannot fulfill its mission. It is crucial in the budget process, therefore, that sufficient resources be allocated to teaching and research.

After the above discussion, the chair proposed that the committee invite Charles Bantz and Meredith Gibbs to the next meeting of the committee. Provost Bantz would be asked to address issues relating to a strategy for obtaining appropriate funding for the academic side of the budget. Chief of Staff Gibbs would be asked to discuss the PWC report and the development of metrics for measuring productivity in the divisions. One member suggested that these individuals be asked to address the issue of proper consultation with deans (and the relevant unit budget committees) on tuition increases and for the implementation of a plan to guarantee appropriate consultation.

8. The meeting adjourned at 4:25 p.m. The next meeting is tentatively scheduled for Feb. 6, 2001.

By Michael J. McIntyre