Policy Committee White Paper

August 10, 2013

Preamble

The Academic Senate at Wayne State University represents the faculty and academic staff of the institution with respect to academic programs, curriculum, academic standards, the organization of academic units, and similar matters. The Policy Committee, made up of elected members of the Senate, represents the Senate when it is not in session.

The Policy Committee is chaired by the Provost and meets on a weekly basis to discuss academic issues. The Provost presents issues under consideration by the Administration and the Administration’s tentative policy positions and rationales, responds to questions, and participates in the Policy Committee discussion of them. This interaction helps to clarify Senate and Administration concerns and affords an arena within which many potential conflicts can be resolved.

We introduce the following white paper by describing the importance and past history of consultation between the faculty and the Administration. We are convinced that genuine consultation will result in better decisions and lead to faculty buy-in for the difficult course that we will likely face in the near future. The committees of the Academic Senate have focused a great deal of attention on three topics: budget, funded research (including issues within the School of Medicine), and retention, and it is evident that these issues are both directly and indirectly part of each of the following list of our high-priority concerns. Over the last few years the University has been forced to make substantial budget cuts because of reduced State support and decreased enrollment. The Senate believes that these cuts have hurt the academic mission of the University and that the Administration should have borne a higher percentage of the cuts in order to protect the core functions of the University. We have noted a continual decrease in our relative research funding over the past decade and have deep concerns regarding the impact on our national reputation. Much of our concern has focused on faculty hiring, especially in the School of Medicine, because of the undeniable relationship between hiring outstanding new faculty and increased external research funding. Student retention at the undergraduate and graduate levels is a continuing problem that has been addressed in numerous reports and recommendations over the past five years. Unfortunately, these recommendations have either not been implemented at all or have been ineffectively implemented.
1. Academic Governance and Consultation

Respect for faculty governance mechanisms and genuine consultation with faculty can enhance administrative decisions, particularly those with lasting impact on campus organization, research support and instructional policies. Without the active and informed engagement of faculty in ongoing planning and policy development, administrators risk overlooking significant problems, relying on their own limited views of instructional, research and student needs. Lack of attention to faculty governance also encourages development of insular administrative fiefdoms, in which administrators seek advice only from insiders and discourage honest appraisals of ideas.

This is an issue of extraordinary importance at Wayne State. Cabinet-level administrators and deans have shown a growing disregard for meaningful consultation with faculty or with the Academic Senate on issues at the core of the academic institution, such as the structure of the Graduate School, organization of translational clinical research, and the appointment of an interim provost. Items required by statute to come before the faculty are often presented to the Board of Governors when faculty have had no chance to review and consult. Too often administrators treat an informational presentation after a decision has already been reached as their “consultation,” leaving no avenue for faculty concerns to be considered and appropriate changes made. In other cases (most recently, the ongoing implementation of plans for the new Student Center), administrators simply state that they see no need for faculty consultation, or that a presentation to the Deans “counts” as sufficient consultation with faculty.

Early communication of ideas, discussion of problems and consideration of alternative resolutions lead to much better solutions. While decisions are the responsibility of the administration and, ultimately, the Board of Governors, we have found that joint faculty-administration task forces operating for a short term and dedicated to a specific issue can successfully consider complex problems to find good solutions that best address all stakeholders’ needs. For example, in the past Wayne has used such “blue ribbon” task forces to design the BOG statute on Centers and Institutes, prepare a 5-year Business Plan for the Parking Office, and solve the contract impasse regarding removal of faculty tenure.

2. The University Budget Process

The Budget Committee of the Academic Senate is the vehicle created by the Board of Governors (BOG) to represent the views of the faculty to the Administration and the BOG on important budget issues facing the University. The committee Chair is typically the faculty representative who sits as a voting member of the BOG Budget and Finance Committee. The University Budget Director participates in meetings as the Administration liaison; the Provost and Vice President for Finance and Business Operations typically attend as invited guests. The Budget Committee is intimately involved in the preparation of the University budget, which is the University’s central political document and is often highly controversial. During the past two years the budget has been the vehicle for imposing painful cuts on all units of the University with significant impact on the Schools and Colleges. Budget Committee support of the Administration’s budget document is often vitally important in achieving BOG approval. In the past, the BOG has rejected, at least tentatively, various administrative recommendations that have been put before it without proper consultation with the Budget Committee. In contrast, the BOG has tended
to adopt enthusiastically those administrative proposals that have strong Budget Committee support.

The Budget Committee has identified several problems regarding the model used to formulate the University budget. Currently the University budget is developed using a historical model in which each unit’s budget derives from the prior year’s budget with additions or reductions based on funds available and adjustments based on metrics identified by the Administration. Because a large percentage of the School and College budgets is used for tenured faculty salaries, budget cuts have resulted in reductions in discretionary funds and a decrease in the number of faculty. The Academic Senate considers these budget reductions to be deleterious to the University’s instructional and research mission. The Senate recommends that (i) the cuts to the budgets of the Schools and Colleges be minimized to protect the core functions of the University; (ii) the University use a budget model in which both academic and administrative unit budget allocation have a significant dynamic component based on metrics identified by a joint faculty-administration committee; and (iii) both the budget process and budget presentation be made transparent. For example, the format of the budget presentation to the University community should have sufficient detail and clarity so that the ramifications of various budget decisions are apparent, and adjustments to overall budget allocations after approval of the budget by the BOG should be carefully annotated in the next year’s budget so that it is clear what funds have actually been made available to each unit.

One consequence of the current budget process is that there has been a shift of budget allocations from the academic side of the University to the Administration. This shift has been driven by increasing the personnel in many Administration units and by the formation of new units that often are not related to the core functions of the University. The Academic Senate recommends that future budget cuts be primarily accommodated by cutting the budget on the administrative side of the University and that budget increases be focused on improving academics, primarily by hiring more full-time tenure-track faculty. Without more faculty members, we cannot meet our obligations to teach better, to provide more effective services for our students, and to expand our research base. We need to be able to assure students that they are getting their money’s worth when tuition rates are increased. We also believe that the faculty should have a strong voice in developing the metrics to judge the quality of both academic and administrative units and have appropriate representation on the executive committee that recommends the final budgets for each unit.

3. Research Funding

The primary goal of the Division of Research, headed by the Office of the Vice President for Research (OVPR), is to provide leadership for the development and support of research programs. In considering the success of our research programs, the Academic Senate has focused on the level of federally-funded grant support because we believe that this is one area where the OVPR can directly affect our research productivity. Although the absolute federal research dollar amount for the University has increased over the past decade, this statistic does not provide an adequate measure for comparing our relative research productivity with other universities. We have instead focused on national rankings as the best measure for how successful we are compared to other research universities. As the chart below shows, our relative ranking for federal funding expenditures over the last decade has dropped from 65th to 86th for all universities. If all funds are counted, our ranking has also dropped, in this case from 61st to 80th place. If the
The Senate believes that the University in general and the Division of Research specifically have not provided the necessary leadership or adopted the proper policies to reverse this disastrous trend. Because most federal funding is obtained by individual researchers, it is obvious that policies that bring new innovative researchers to campus, keep productive faculty from leaving, or convert an inactive faculty member to a funded productive one would have a great impact on the level of our research funding. Unfortunately, the number of faculty has not increased over the past decade and the number of funded faculty has dropped significantly. For example, in the School of Medicine, which accounts for about 75% of our research funding, the number of full-time faculty equivalent (FTE) hiring has dropped from 71 in 2010 to 47 in 2012. In the first half of 2013, only 18 FTEs have been added. In addition to adding more faculty we believe that the University needs to provide incentives for faculty who obtain a second federal grant. The current policy provides a salary supplement for faculty in the School of Medicine (SOM) who put academic salary on any grant. We believe that having a single grant is not a sufficient basis for a salary bonus and that salary incentives should be limited to those faculty who are (i) PI on at least one federal grant and (ii) at least a salaried co-investigator on a second. Further, we believe that this policy should be University-wide, in order to incentivize basic scientific research throughout the Schools and Colleges.

The Senate considers that the University has provided insufficient support for developing and maintaining the core facilities that are used by most researchers who apply to NIH or NSF for grant support. In this regard, it should be noted that the Huron Group evaluation of the Division of Research advised the University to invest an additional $2.5 million per year in core facilities. Core facilities are often required to obtain multi-investigator grants such as NIH program project grants (PO1), which normally have annual budgets exceeding $2 million. We believe that these collaborative grants, which often focus on translational research projects, are one measure of research success and one area where the University has been completely unsuccessful. Even though we have a stated goal of increasing the number of NIH P01 grants, at the present time the University has not been able to obtain a single one. Most research universities have several of these types of grants; for example the University of Michigan has 15 of them.

The Senate recommends that the University develop a plan for increasing the number of faculty and-- in disciplines that are generally supported by outside research funds--the level of external funding each obtains. We recommend that additional funding be provided for core facilities, possibly transferring funds from Centers that are currently underperforming. Better encouragement needs to be provided for applications involving multi-investigator and translational grants. Moreover, the University needs to hire new faculty in the proper scientific areas in order to promote successful grant applications in areas where these types of grants can be obtained.
4. School of Medicine Issues

The SOM is moving rapidly in the direction of being primarily a clinical revenue-funded enterprise. Issues specific to NIH- and NSF-funded research are discussed above, so this section will focus on the issues in the SOM related to clinical research, and, to a lesser extent, clinical research.

Clinical faculty at the SOM, most of whom are on non-tenure tracks (e.g., Clinician Educator), are being told to generate more clinical revenue by having a variable, but often substantial, percentage of their total salary (i.e., their salary from the University plus their salary from the Wayne State University Physician Group [WSUPG]) placed at risk by mandatory participation in a relative value unit (RVU) reimbursement plan. This RVU system is arbitrary, varies from department to department, and is non-transparent. The WSUPG RVU system does not give any credit for scholarly activity, teaching load, funded research grants, or excellence in teaching awards received. The Academic Senate believes that faculty must view any RVU plan utilized by the SOM as fair and transparent. We also consider it critical that any RVU plan credit teaching, scholarly activity, and research grants obtained as part of the compensation calculation. Although each department now has its own elected Budget Advisory Committee, so far these committees have been unwilling to take a stronger stand towards implementing a fairer RVU system.

A sizeable minority of all funded SOM research has traditionally been done by clinical faculty. Perversely, clinical faculty who obtain multi-million-dollar research grants often find that their salaries are lowered as a consequence, because a commitment to research means fewer opportunities and less time for clinical activities. There currently is no University mechanism in place to adjust a clinical faculty member’s salary back up to baseline when the UPG component has been lowered in this manner. In large part, this separation of salary is a result of the insistence on the part of the WSUPG that it is a separate and distinct legal entity from the University, one that is free to adjust salary as it deems necessary (based on RVU productivity). Unless the system is changed to accommodate research efforts, productive clinical researchers will be tempted to consider positions elsewhere that do not penalize research.

Clinical research funding is also in jeopardy at the SOM. It is not clear that the SOM is adequately prepared to support its clinical research enterprise, let alone consider successfully competing for translation collaborative-science grants. Although there is a Clinical Research Center (CRC) within the Department of Medicine, its existence is not known to many clinical researchers, and only a minority of funded clinical researchers uses any of the services available. In addition, many of the CRC services duplicate existing infrastructure built over many decades by successful and productive clinical researchers in various departments.

As the SOM continues to move towards clinical revenue as its primary source of funding, its research rankings, teaching excellence, and scholarly productivity will tend to continue to fall. It is therefore not surprising that clinical faculty morale at the SOM is at its lowest point in decades. In an effort to understand better what the current changes mean, the University’s AAUP-AFT chapter recently sent the clinical faculty a survey to measure and quantify these concerns. Results should be available within the next 4 – 6 weeks.
5. Undergraduate Retention

By most measures of undergraduate student success Wayne State does not compare well to other Michigan universities. Our FTIAC retention rate is currently 77% and our overall graduation rate is abysmally low, currently at 26%. These statistics place us at the bottom of the rankings for all of the Michigan four-year public universities. Minority retention numbers are even bleaker, with a six-year minority graduation rate less than 10%.

Our inability to provide an environment where all admitted students succeed is a failure of one of our core missions. This affects our reputation, enrollments, tuition revenues, and the level of state funding. Information about our low retention and graduation numbers in the public domain affects our reputation and makes it harder to attract new students. These statistics also affect state funding because the State provides additional funding to schools that have improving retention or graduation rates. The Academic Senate believes that these dismal numbers have contributed to the 4% drop we have seen in the Fall undergraduate headcount from 2010 to 2012. This decline has resulted in over $3 million less tuition revenue in FY2014.

Serious efforts to address our retention and graduation rates began in 2007 and have continued to the present. Unfortunately, these efforts and resource allocation have not yet had a significant effect on student success. Several University-level committees have examined retention issues. The first committee did an extensive literature review on the issues of retention and graduation, surveyed the faculty on their views on the issues as they pertained to the University, and issued a comprehensive report listing 16 recommendations to improve undergraduate retention. Among these recommendations were: (i) create a central system through which campus-wide retention efforts would be coordinated, (ii) enhance advising efforts, (iii) review admissions standards, (iv) enhance monitoring and student success in entry-level courses and (v) enhance financial aid. The Administration’s response to this report was minimal: few substantive changes were made over the next three years. In 2010, Ron Brown was appointed Provost and charged with reversing the declining retention numbers. A new committee was formed that reviewed the recommendations made by the original committee and developed an implementation plan for the original recommendations. Among the list of recommendations of the Implementation Task Force were to: (i) appoint an individual at a high level to lead the university’s retention efforts; (ii) appoint people in colleges and departments to act as retention coordinators; (iii) hire additional advising staff, specifically 45 new advisers at the department/college level; (iv) support departments teaching large service courses with additional graduate assistants or other resources; and (v) increase the number of general education courses taught by full-time faculty. Some of the recommendations of this Task Force have been implemented, such as the hiring of a new Associate Provost for Retention and the hiring of additional advising staff, but many of the recommendations have not. The university has also changed its admission standards and has developed an APEX program targeting at-risk incoming students.

With yet another change in leadership in the Provost’s Office in 2013, the administration has appointed another task force to look specifically at minority recruitment and retention issues, with the goal of developing initiatives and programs to enhance minority student success. The Academic Senate believes that the recommendations of this new task force represent a shift of attention and resources to other concerns, jeopardizing complete implementation of the retention plan.
We believe that the fundamental problem with our current retention efforts is that they have been concentrated at the higher levels of the University and have not yet reached the departments in any significant ways. Faculty and academic staff committees involved in the initial development of plans to address retention and graduation issues have not been involved in significant ways in implementation. Important school and departmental recommendations from the Implementation Task Force included: (i) the new Associate Provost for Retention was to carry the message of the importance of student retention to the faculty and involve the faculty in retention initiatives at the department and college levels; (ii) there was to be review of lower division courses that fulfilled general education requirements and the level of student progress in these courses; (iii) there were to be resources allocated to programs with high service learning responsibilities with the goal of putting more full-time faculty and graduate assistants in lower division and general education courses; and (iv) there were to be retention specialists in every department who would lead the efforts at the departmental levels. None of these ground-level retention recommendations have been implemented.

6. The Graduate School

Beginning in the early 1980s, the Graduate School was housed within the Division of Research. Under this structure, an associate VP in the division also served as the Dean of the Graduate School. Although this might be considered appropriate because of the potential budget savings and coordination of research with graduate studies, it also resulted in a lack of attention to concerns specific to graduate studies. After consultation with the Academic Senate, which had consistently recommended a greater emphasis on graduate studies, President Reid and Provost Bantz decided to separate these units in 2001, with the Graduate Dean reporting directly to the Provost. In early 2012, without seeking input from the faculty, departments, or the Schools and Colleges, then-Provost Brown announced that these units would be rejoined. The Senate strongly objected, causing the Provost to reconsider and to task the Huron Group to consult with faculty and administrators to determine the best organization for the Graduate School. The March 2013 Huron Group report recommended that the Graduate School remain separate from the Division of Research.

The Academic Senate is supportive of an independent Graduate School and recommends that the University strengthen this important unit that serves over 7,500 students and performs functions critical to most of the other Schools and Colleges. We believe that there are many challenges facing the Graduate School that need to be addressed if the University is to achieve its full potential.

The continuing trend of falling enrollment must be reversed. This affects our status as a center of excellence for graduate studies and falling tuition revenue is one cause for budget cuts in all of the Schools and Colleges. The Senate recommends the replacement of underachieving graduate programs with new, possibly interdisciplinary, programs that will promote improved graduate recruitment and retention. Since the bulk of the graduate enrollment decline is from the loss of continuing students, we propose that more attention be paid to current students in terms of providing fellowship, TA or GRA support, as well as proper advising.

There is an urgent need for better data collection and analysis. NIH now requires extensive reporting on student placement and career development as part of training grant applications.
Except for a few departments, such records are not available and therefore we are unable to obtain this type of graduate student funding.

The assignment of graduate fellowships and TAs to units across the University needs to be addressed so that these precious resources can have the greatest impact on graduate programs. The Senate recommends the establishment of a joint faculty-administration blue ribbon task force to address how these crucial resources are allocated.

Finally, we believe that none of these issues will be properly addressed until the Graduate School has stable leadership and appropriate funding to support training of TAs.

7. Issues Related to Administration

In 2008 it was pointed out to the Administration that, according to the IPEDS data that is annually provided to the Department of Education by the Administration, the University had approximately 200 more persons classified as “Executive/Administrative/Managerial” than the average for comparable universities. Apparently, the Administration solved that problem by merely reclassifying 200 who previously fell into this classification into the classification of “Other Professionals.” As can be seen in Figures 1 and 2 below, this arbitrary cosmetic adjustment made the University look more like her comparable institutions.

However, when the budget pressures came in the years following 2007, and especially in 2010 and 2011, administrative cuts were made primarily to the “Other professional” and “Non-professional classifications.” Figure 1 shows that there have been no cuts in the “Executive/Administrative/Managerial” classification since 2009. Figure 2 shows that the “Other professional” classification rose by almost 300 persons, from 2008 to 2009. It stayed at the latter figure through 2010 and then fell by 161 in 2011, a year of budget cuts. The number of “Non-professionals,” as shown in Figure 3, fell steadily from 2007 to 2011 and is currently dramatically lower than the number typically found in our comparable institutions. In 2007 the University had 299 fewer non-professional staff members than the average for that classification at our comparable institutions; by 2011 that gap had risen to 1,156.

In summary, the budget cuts that we have experienced have not had an impact on the num-
ber of highly paid senior administrators. Those in the lower ranks (Other Professionals and Non-professionals) expanded and then shrank considerably. There are now many fewer professional and office support staff across the University.

8. University Administrative Systems

In his short time here, President Gilmour, consulting primarily with the Huron Group on both policy considerations and implementation methods, oversaw significant changes in a broad range of the University’s administrative systems, including purchasing, human resources, and travel policies. Although University constituencies were consulted in the implementation stage, the Huron Group played a dominant role in these processes. This central role was clearly visible, for example, in the dramatic centralization of the Human Resources function: the Huron Group employee heading that phase of the consultation replaced the department head (an associate vice president) and held the position for over a year.

The early returns on the effectiveness of the new systems in Purchasing, Human Resources, Travel Wayne, FP&M, etc. are mixed. All of these new administrative systems centralized operational authority and standardized operational procedures across University units with differing needs. One would anticipate that the centralization of these functions would realize a benefit of savings in personnel salaries with a cost manifesting itself in a system less sensitive to the varying needs of the users across campus. Not surprisingly, the trumpeted cost savings of tens of millions of dollars have yet to show themselves, while the problems stemming from “one-size-fits-all” administrative functions have been obvious.

We recognize the substantial financial commitment that President Gilmour made to these administrative systems and remain hopeful that they will bring meaningful benefits to the University community, especially with renewed Administration emphasis on placing service to the academic enterprise as its top priority. We look forward to working with a new Administration focused more directly on the academic enterprise and are convinced that the University will realize substantial benefits from an enhanced budgetary commitment to the quality of the teaching and research programs of the Schools and Colleges.

9. Development

The Academic Senate recognizes the vital importance of fundraising to the University’s future and strongly supports the University’s efforts to enhance fundraising performance. We also recognize that enhanced performance may require additional resources. The University administration proposed a plan at the October 2012 BOG meeting to increase the Development budget by $1 million per year for five years. The Senate expressed its concerns to the BOG about the lack of consultation on this plan, one that lacked metrics and could lead to further erosion in the budgets of the Schools and Colleges. The BOG recommended that the Academic Senate establish an Academic Senate Development Budget Review Committee and report its recommendations at a subsequent meeting.

The committee reviewed the consultant’s report (Marts & Lundy), requested various reports from the Administration, interviewed Deans and submitted its report in December 2012. The main points in the report were: (i) there was a significant decline in fundraising over the prior seven years in both total gifts and cash gifts; (ii) the University has the proper number of gift
officers but their average productivity was only 1/3 of the productivity of staff at peer universities; (iii) there was no clear expectation of enhanced staff performance beyond the $5-raised-for-each-$1-spent, even though peer institutions perform much higher (around $9.5 for every $1 spent); (iv) there was no plan for staff development; (v) the SOM “Dean’s tax” (FMRE) funds are included in development calculations, artificially inflating productivity results; and (vi) overly centralized development functions will be exacerbated by a growth plan focused on additional high-ranking centralized administrators rather than on building fundraising strength at the Schools and Colleges.

The Senate recommends that the Development Division reduce hierarchy and decentralize more of the fundraising functions by moving all major gift officers into the Schools and Colleges. We also believe that the Development budget should be directly linked to performance and that the gift officers’ salaries should be linked to performance metrics. The Senate has repeatedly urged that funds generated by the SOM “Dean’s tax” (FMRE) be eliminated from Development Division reports and calculations of productivity and fundraising prowess: even with separate statement of FMRE, its inclusion in the Division’s total amount raised and use of the total in calculating Division productivity and otherwise determining the Division’s fundraising success overstates the efforts of Development and makes the Division appear more successful than it actually is, since Development has no role in soliciting or administering FMRE funds. Finally, we recommend that the BOG charge the Academic Senate Budget Committee with conducting, and reporting to the BOG on, an annual review of the performance of the Development Division.

10. Parking Issues

The Academic Senate Student Affairs Committee recently carried out a survey that indicated Wayne State students are generally dissatisfied with campus parking. Written responses were provided to the question “What is the main reason for your dissatisfaction with Parking?” from 1,413 students, with 1,212 (86%) mentioning high parking fees. Other problems frequently mentioned were insufficient parking near classes, safety, and rude or unhelpful parking employees.

Prior to 2010, a joint faculty-administration the Parking Advisory Committee advised Parking Operations regarding rate increases, safety issues, parking capacity, maintenance, and other issues affecting students, faculty, and staff. This committee was disbanded by Rick Nork, Vice President of Finance and Business Operations, who explicitly stated to the Budget Committee that he did not need advice from a committee on how to do his job.

In 2010 the Board of Governors requested that the Administration form a joint faculty-administration task force to review and revise the Administration’s business plan submitted to the BOG in May. This task force recommended minimizing parking rate increases and installing new technology to simplify the parking process. The Administration rejected the recommended fee plan and instead implemented significant fee increases to pay for structural repairs to the parking structures. In the three years since the Fall semester of 2010, parking rates have increased 17% for students, 25% for faculty having a semester contract, and 100% for faculty paying for parking on a daily basis. We believe that these fee increases are unfair since the repairs to the structures were necessitated by a prolonged lack of proper maintenance by both Parking Operations and Facilities, Planning and Management.
One task force recommendation was a new fee model with the student portion of the parking fees included as part of the Student Activity Fee, based on the number of credits taken. This pre-paid model would provide undergraduates with what they might consider “free” parking. More importantly, this model would result in a significant reduction (>60% when calculated by the task force) in the parking costs for a full-time undergraduate coming to campus five days a week taking 12 credits. This fee model also provides academic advantages: (i) students would no longer arrange their schedules based on minimizing parking costs; (ii) students would no longer deplete scholarship money budgeted for parking at the end of the semester; (iii) class attendance would improve because parking would be pre-paid; and (iv) “free parking” could be used in student recruitment. It is unknown whether this policy would significantly increase demand for parking or whether we have the capacity to handle a significant increase. Implementation of this plan would require a careful study of the University’s parking capacity at peak hours (a study that should be facilitated by the data available from the new parking technologies already in place) and might necessitate a change in the scheduling matrix.