I. CHANGES TO STUDENT FINANCIAL AID

Provost Brown mentioned that the Board of Governors adopted new criteria for admission to the University, making admission a bit more challenging for some students. In addition, federal regulations governing student loans have been changed. The Provost invited Robert Kohrman and Albert Hermsen to inform the Senate about the changes.

Mr. Kohrman, the Associate Vice President for Budget, Planning and Analysis, said that Mr. Hermsen would talk about satisfactory academic progress, the changes that the University and the federal government have made regarding undergraduate financial aid, and the University's income equity program.

Mr. Kohrman explained that WSU's current admission policy required students to have an ACT score of 21 or a high school grade point average (GPA) of 2.75. Students who fell below those levels were admitted through a special process. The Board of Governors eliminated specific criteria. A holistic approach will be used to evaluate a student's readiness and ability for university work. Special services will be provided for students who have challenges. Wayne State had about 20,000 undergraduate students in fall 2011. About 75% of those students received financial aid, either need-based, merit-based, or federal financial aid, etc. The students who have less than a 2.0 GPA could be affected by the requirement that they make satisfactory academic progress. Four thousand five hundred undergraduate students did not achieve a GPA of 2.0 in fall 2011. About 625 out of the 2500 students who entered Wayne State in fall 2011 did not achieve a 2.0 GPA.

Mr. Kohrman turned the podium over to Mr. Hermsen, the Senior Director of the Office of Student Financial Aid (OSFA). Mr. Hermsen said that the federal government controls the funds for financial aid. Congress, for the last several years, has struggled with covering the cost of the Pell Grant program. While there has been talk in Congress of reducing the amount of the Pell Grants, the maximum amount of the award remains at $5,550. This year Wayne State will receive about $48 million of Pell Grant funds. To provide the funding, Congress implemented changes in the grant.

To qualify for the need-based Pell Grant program, the student must be enrolled in a degree program and be making satisfactory academic progress towards the degree. Satisfactory academic progress was monitored on an annual basis in the past, but the government is strongly encouraging institutions to monitor progress each semester. They will not look only at the last year of a student's performance, they will look at the cumulative record. And, they are asking for more documentation.

There are three components of satisfactory academic progress. First, the undergraduate student must maintain a GPA of 2.0. Second, students must complete 67% of the classes for which they register. Third, financial aid will be provided for up to 150% of the
required course work for a program. This means that if the standard number of credits for a degree is 130, the federal government will fund up to 180 credits.

At the beginning of the fall 2011 semester, OSFA sent warning letters to students who were not making satisfactory academic progress and followed with other notices during the semester. If students do not achieve a 2.0 after receiving the warning, they will not receive financial aid the following semester unless they submit an appeal to the OFSA. The appeal must include documentation about the reason for their poor performance and an academic action plan that demonstrates how they will improve. If students do not fulfill their action plan they will not be given aid for the following semester.

There were a little over 20,000 undergraduate students in fall 2011. The number of students receiving financial aid is just under 15,000. One-quarter of the students in the fall did not receive a 2.0 GPA and about one-quarter of the FTIACS did not achieve a 2.0 GPA. The number of undergraduates who have less than a cumulative 2.0 GPA is 2600, which is about 13% of the students. The number of students who had received an unsatisfactory warning going into the fall semester was 2,294. OSFA reviewed the students’ academic progress as soon as grades were in from the fall semester, and sent notices to the students that they had the right to appeal. Seven hundred fifty-six students appealed to get aid for the winter semester. Five hundred fifty-one or 73% of those appeals were granted. One hundred sixty appeals were denied and 45 are pending. The OSFA is accepting appeals through April 2. One thousand four hundred ninety-nine students were notified that if they did not improve their academic record during the winter term, they would not be eligible for aid for subsequent terms.

Satisfactory academic progress is not a responsibility of the financial aid office. Academic advisors help students progress to their degrees. If students do not make academic progress, the federal government, the state government, and the University will not continue to provide financial aid. OSFA is working closely with academic advisors across campus. OSFA sent to each college and school the lists of students who were on warning and those on probation so the advisors could contact them to develop an academic action plan.

There are staff at the new Student Services Center to answer questions about financial aid as well as the Registrars Office and the Student Accounts Receivable office. They have fielded many of the calls about satisfactory academic progress. Mr. Hermsen said that his office’s website goes into great detail about how to make satisfactory academic progress and how to complete a successful appeal process. There are tools available on STARS to help students calculate the grades they need to get back to a 2.0 GPA.

Mr. Hermsen also provided general information about financial aid. More students than ever are applying for financial aid. There has been a 44% increase in the number of students applying for need-based financial aid. The OSFA received 52,000 applications for the 2010-2011 academic year. Financial aid increased from $245 million in 2006-07 to $356 million this past year. This is a 45% increase over the past five years with 55% of that assistance going to undergraduate students. Aid for undergraduate students increased 62.5% with their receiving $195 million of various types of aid. Eighty-four percent of the undergraduates receive some type of aid from all sources, i.e., from the federal government, from the state, from WSU, and from private sources such as endowment programs.

The largest share of aid ($102 million) is in the form of loans to students. Thirty-two percent or $63 million is in the form of need-based grants. Twelve percent or $23 million is in the form of merit scholarships. Another program is the federal government work study program, which has remained stable for the past several years.

Need-based grants and scholarships, the Pell Grant program, and the Board of Governors awards have increased 142%, part of that is because of WSU’s equity package. The Pell Grant program, which is an entitlement program, has grown quickly. There has been a huge increase in need-based grant programs, which is good because it keeps the student debt burden down.

The University has increased funding for the Presidential Scholarship, but the state has withdrawn almost completely from providing financial aid to students. The state scholarship programs like the Michigan Promise Scholarship were eliminated completely. Another important program for WSU is the Michigan Competitive Scholarship and the work study program. The federal government has cut back on programs like the Academic Competitiveness Grant and the SMART Program, which is a science-math type program. The University’s merit programs have increased but they have decreased at the state and federal levels.

Three years ago the University implemented an equity packaging model. About 56% of WSU students have families who cannot provide financial support for them to attend college. Prior to the University’s providing the equity funding, students who received various types of financial assistance still had to borrow money to cover their tuition and fees. Even students from families with incomes of $60,000 had to borrow money to cover tuition and fees. The University tripled the amount of need-based aid for students. All undergraduate students who are residents of the state of Michigan,
who apply by the deadline, and who enroll on a full-time basis are guaranteed that their tuition and fees will be met with a combination of their family contribution, the Pell Grant, the federal Supplemental Educational Opportunity Grant, and the Board of Governors grant.

The average student, who has to borrow money for his/her education, graduates from Wayne State with a debt of $20,250. This is better than the state average, which is $25,000. The OSFA advises students on the repayment plans that are available. The default rate of WSU students is 6.7% on the Stafford Loans, the largest federal loan program. The state level is about 8.5% and the national level is much higher.

Mr. Hermsen mentioned other changes to financial aid. The federal government has lowered the number of semesters students can receive Pell Grants from 18 to 12. Students who attend community colleges often received loans for those institutions. The federal government has maximums for students, which have not been raised for some time. WSU’s students often take longer than six years to graduate, backing them up against the loan limits. The interest rate on the Stafford Loan is 3.4% this year but it is due to increase to 6.8% next year. There is a bill in Congress to retain the rate of 3.4% or at least to have a rate lower than 6.8%. The 6.8% interest rate would cost WSU students $10 million or more. The loan subsidy for graduate students is being eliminated. Graduate students will be able to borrow the same amount, but the interest rate of 6.8% will not be subsidized for needy students, costing WSU’s graduate students about $11 million.

Mr. Hermsen mentioned several other changes to student financial aid that were included in the federal appropriation act passed in December 2011. The need analysis used to determine eligibility for financial aid was changed. Undergraduate students have had a 6-months grace period after they leave school when they do not have to re-pay their loans. No interest was charged during that 6 months, but beginning next year that interest will no longer be subsidized. International students had been able to get loans from their governments through U.S. banks. Most banks are no longer involved in the program, which is one reason why the number of international students has decreased. Mr. Hermsen said that his office is trying to find a funding source for the loans. The federal government will not fund students more than once for re-taking a class to improve their grade. For example, if a student received a D, he/she would be able to repeat the course once to improve the grade. If a student fails a course, he/she would be able to repeat the course as many times as needed.

Mr. McIntyre asked if the increased retention rate from freshmen to sophomore status was due to financial aid.

Mr. Hermsen thought the reason might be the equity package. Some students were getting no assistance from the University, and now, with the equity package their tuition and fees are covered, allowing them to persist. The number of students with financial holds decreased 22% after the equity package was introduced.

Mr. Hermsen was asked how the appeals process was handled when students did not make satisfactory academic progress. He said that the academic advisor is the primary person who deals with the situation. The student could make the appeal on his/her own, but the OFSA encourages students to talk with an advisor. The OFSA reviews the appeal because it authorizes financial aid. If an advisor recommended that a student be allowed to continue at the University when the OFSA thought there was little chance of his/her succeeding, the financial aid officer would discuss the matter with the advisor.

Mr. Volz asked what portion of the $50 million of debt that students have incurred was the responsibility of the parents. For the most part, Mr. Hermsen said, in federal programs the student takes out the loan. The interest rates are lower for students. There is a parent loan for undergraduate students. The parents have to pass a minimal credit check, but many cannot pass the check. Students can get loans without the credit check. If their parents cannot pass the credit check, the students are eligible for additional unsubsidized loans on which no one pays the interest while the students are in school. This adds to the debt students have for their education. The student loan debt is now greater than the credit card debt of U.S. citizens.

Mr. Furtado asked if a student who received the mark of W (withdrawal) in all of his courses over two semesters would be able to continue to register for classes. Mr. Hermsen said the student would not be able to continue.

II. REPORT FROM THE CHAIR

Provost Brown said that the University is proceeding with the implementation of the new admission policy approved by the Board of Governors. He updated the Senate on the searches for the Deans of Social Work and Liberal Arts and Sciences, the Associate Vice President for Enrollment Management, and the Associate Provost and Director of the Office for Teaching and Learning.

The process of searching for a Dean of the Graduate School has begun. Vice President for Research Hilary Ratner has served as the Interim Dean of the Graduate School for the last year. In accordance with the Agreement between the University and the AAUP-AFT
a 2N committee will be formed. In forming search committees for Deans, the President or his designee appoints one-half of the committee and the faculty in the college elects one-half of the committee. The Graduate School does not have faculty. The graduate faculty are dispersed throughout the University. The units elect the representatives to the Graduate Council. The Graduate Council will elect the members of the search committee. The faculty serving on the committee must have graduate faculty status.

Governor Snyder has made it clear that retention and graduation rates will play a large part in determining the state appropriation to universities. Provost Brown believes that research should be added to the criteria.

III. APPROVAL OF THE PROCEEDINGS OF THE ACADEMIC SENATE

February 8, 2012

It was MOVED and SECONDED to APPROVE the Proceedings of the Academic Senate meeting of February 8, 2012. Mr. Romano submitted a correction to the Proceedings to clarify the comments attributed to him about the hiring of faculty. The maker of the motion and the seconder agreed to the amendment. The Proceedings were APPROVED AS CORRECTED.

IV. REPORT FROM THE SENATE PRESIDENT

A. Report and Announcements

Mr. Romano announced that the member-at-large election would be held after spring break.

The Curriculum and Instruction, Faculty Affairs, and Student Affairs Committees have reviewed the report Enhancing Student Academic Success and have offered comments. That issue will be on the agenda for the April 4 Senate meeting.

The Policy Committee meets with the President’s Cabinet about once a month. The meetings are productive and President Gilmour is responsive to Policy Committee’s requests. The current discussion began with the President asking for ideas to improve the University. Both the administration and the Policy Committee developed lists, which Policy Committee formed into what Mr. Romano calls Areas of Strategic Focus for teaching and learning, research, budget, and community engagement. At President Gilmour’s request, four committees are being formed to discuss the topics. The Policy Committee and the administration will each appoint the co-chairs and members of the committees.

On March 5, the Chairs of the Budget Advisory Committees in the departments and schools and colleges attended a meeting with the Senate Budget Committee for a presentation about the recommendations for changing the budget model that the Huron Consulting Group made. HCG recommended that the University adopt a responsibility-centered budget where a portion of the revenue from tuition, indirect costs, and development would stay within a school or college. From that revenue, the college/school would pay for its expenditures, including salaries, travel, supplies, and start-up costs for faculty. Several committees on which faculty serve are looking at the possibility of changing the budget model.

The Policy Committee has been discussing research funding. It is difficult to understand from the information provided by the Office of Sponsored Program Administration if the number of research grants from the National Institutes of Health (NIH) and the National Science Foundation (NSF) have increased, if the funding from these agencies is increasing or decreasing, and how WSU compares with the other research universities in Michigan and with its other peer groups. If WSU is losing ground, Policy Committee would like to know the reasons and how to reverse the trend.

Mr. Romano presented data about research funding from the NIH website for RO1-type grants. He looked at the investigator-initiated research grants because they are more accurately reported by NIH and because they are the best measure for how our faculty are doing in securing funding. He compared the funding from 2002 through 2011 for Wayne State, the University of Michigan, and Michigan State University. In 2002, U of M had about 5 times more funding than WSU and WSU had about 2.5 times more funding than MSU. In 2011 U of M had about 7 times more funding than WSU and WSU had about 1.3 times more funding than MSU. Over the 10 years, U of M’s funding increased 29% and MSU’s funding increased 58% while WSU’s funding decreased 28%.

Mr. Romano compared the NSF support for the three universities. In 2002 U of M had 6-fold more funding than WSU, and MSU had 4-fold more than WSU. In 2011, WSU’s funding was about the same as it had been in 2002. U of M had 8-fold more funding than WSU and MSU had 6.5-fold more than WSU.

The Policy Committee, Mr. Romano said, would like suggestions how to increase investigator-funded research. He listed some of the suggestions from the Policy Committee.
1. Take proactive steps to keep the best faculty from leaving. This could be with salary increases, space increases, additional funds for research, or bringing in colleagues with whom they can collaborate.

2. Ensure that the highest standards are used in faculty recruiting. Hire faculty who will get tenure and who will be funded. The typical start-up package in chemistry is about $800,000. The University should hire faculty who will get funding and be able to re-pay the start-up costs with the indirect costs generated from funding.

3. Encourage the Deans to fill all unfilled tenure track positions.

4. Ensure that young faculty are properly mentored. Their research proposals should be read by multiple senior faculty to ensure that they are sound.

5. Provide hands-on help in grant preparation either from the Office of the Vice President for Research or in the colleges.

6. Ensure that the budget of the Research Office is spent in a way that maximizes impact.

In response to Mr. Romano’s comments, Provost Brown said that his office is requiring mentoring for all faculty. There also is a mentoring program for department Chairs. One issue is the time to tenure. At WSU it is 6 years, but it is difficult to get an RO1 grant within that time period. Some universities have increased the time to tenure to as many as ten years. Also, the agreement between the University and the AAUP-AFT does not allow faculty to get merit increases to retain them. Salaries for assistant and associate professors are competitive but at the senior level there is a fair amount of compression.

Mr. McIntyre commented that when he was the chief negotiator for the AAUP-AFT, the union tried to address the issue of compression. The way to deal with the issue is to raise the cap on across-the-board salary increases. With regards to the AAUP-AFT not allowing faculty to get merit increases, the union never objects to giving faculty more money.

Provost Brown said that he continually asks the Deans to look at the faculty who are productive researchers and who might be interested in leaving to make sure that they are compensated properly.

Mr. Retish asked Mr. Romano if he could provide a parallel chart for the humanities and the social sciences but Mr. Romano did not know if that information was available. He thought the Office of the Vice President for Research might provide it.

The Provost said that the social sciences have not received much funding. More money would be made available for start-up money for faculty.

Asked if the figures included subcontracts, Mr. Romano said they did not. He wanted to show the trends in research in comparison to our Michigan peer institutions not provide absolute numbers.

B. Proceedings of the Policy Committee

The Academic Senate received the Proceedings of the Policy Committee meetings of January 30, February 6, and February 20, 2012 (Appendix A).

V. COMMITTEE REPORTS

A. Elections Committee

1. Apportionment for the 2012-2013 Academic Year

Mr. Wooyard, the Chair of the Elections Committee, explained how the number of representatives from the units are calculated to determine the apportionment for the next year. At the request of the Chair of the Elections Committee, the Human Resources Office provides a file of the personnel in the various units that comprise the membership of the Senate. It takes a lot of work to identify where the faculty and academic staff have retreat rights so they can be counted in the apportionment for their academic units. The number of salaried full-time and at least one-half fractional-time faculty and academic staff in a school/college are counted. The individual is counted, not the fraction of time for which they are paid, i.e. if someone is one-half time, they are counted as one person. The Bylaws state that there will be one representative for the first 15 faculty and academic staff in a unit and one representative for each additional 33 members of the faculty and academic staff or for a portion of the next 33. In the 2012-2013 academic year the Senate will have 83 members.

2. Member-at-Large Election

Voting for the 2 members-at-large who will serve 3-year terms beginning in August 2012 will take place after spring break. The criteria for eligibility for members-at-large are the same as for representatives from the units.
3. **Hearing Panel Election**

   The election of the Faculty Hearing Panel and the Academic Staff Hearing Panel was carried out. The Faculty Hearing Panel is complete. However, there was an error in the ballot for the Academic Staff Panel and that election will be rerun.

4. **Election of the Academic Senate President**

   As required by the Bylaws, the election of the Senate President for the 2012-2013 academic year will take place at the April 4 Senate meeting. Mr. Woodyard read the responsibilities of the President as stated in the Bylaws:

   The President shall keep the official proceedings of the Senate and the Policy Committee, and shall be responsible for sending all notices required by the bylaws and rules of the Senate. The President shall send proceedings of the Senate to all members, to members of the Board of Governors, the University President, the Vice Presidents, all members of the Administrative Conference, and the University Archivist. In general, the President shall be responsible for all matters relating to the operation and administration of the Senate and its business.

   Nominations for the Senate Presidency should be submitted to Mr. Woodyard.

VI. **NEW BUSINESS**

   There was no new business.

**ADJOURNMENT:** The meeting adjourned at 2:20 p.m.

Respectfully submitted,

Louis J. Komano  
President, Academic Senate