

WAYNE STATE UNIVERSITY
ACADEMIC SENATE

PROCEEDINGS OF THE POLICY COMMITTEE
December 13, 2021

Present: D. Aubert; L. Beale; P. Beavers; M. Kornbluh; J. Lewis; N. Rossi; B. Roth; R. Villarosa;
A. Wisniewski

Absent with notice: N. Simon

Guest: M. Schweitzer

1. Proceedings of the Policy Committee Meeting of November 29. The committee approved the proceedings as presented.
2. Chair's Report.
 - a. A student from the Muslim Students' Association reported that a faculty member had put an Islamophobic post to his private Facebook page. Cognizant of faculty's free speech rights on their private Facebook pages, the Provost chose to talk with the faculty member regarding the hurtfulness of that type of post for Muslim students who found it objectionable. The faculty member was chagrined, stating that he had not written the post but had copied and pasted it into his Facebook page. He removed it immediately. The Muslim Students' Association was informed of the action and were pleased with the outcome. Provost Kornbluh said there would be more workshops and education for faculty around this issue.
 - b. Technology Commercialization. Matthew Roling has resigned from the Business Innovation Director position, and Lindsey Klee, Senior Director of Technology Commercialization, will replace Roling on an interim basis. She has had several meetings with department Chairs and Deans and will schedule meetings with faculty about tech commercialization. Beale mentioned that she had met Lindsay shortly after she came on board and was impressed with her.
 - c. Student Affairs. At the December 3 Board of Governors meeting, Ahmad Ezzeddine was appointed Vice President for Academic Student Affairs and Global Engagement. Kornbluh is re-organizing academic student affairs. Student success will be in that office and will report to Ezzeddine. The directors of student success are meeting with the directors of financial aid and admissions, as part of the effort to break down the silos in the academic affairs division and form a collaborative working group across academic and student affairs. There also will be meetings with college-level committees.
 - d. Tuition. The Provost expects that the administration will propose to the Board of Governors that the university be permitted to have program-based tuition as opposed to credit-based tuition for some master's and certificate programs.

The budget office is looking at the possibility of having blocked or banded tuition for undergraduate programs. In this type of tuition students are charged per credit hour for a certain number of credits, 12 or 14. After that they have banded tuition credit. It allows

students to take an extra course and is thought to be a way to help students graduate sooner. The budget office is looking at the financial cost of such a change.

The Eugene Applebaum College of Pharmacy and Health Sciences will have a pilot program that will charge out-of-state students 130% of the rate for in-state tuition rather than the full out-of-state tuition. The college is not competitive charging the full out-of-state tuition, but faculty think they can be competitive with the reduced charge. This is an important change to expand enrollments, since there are not enough people in the state of Michigan who meet the admission qualifications. This change will be submitted to the Board of Governors later in the academic year.

- e. Board of Governors Consideration of Financial Aid. A presentation to the Board of Governors Budget and Finance Committee and the Student Affairs Committee on January 28 will address the budget relationship between admissions and financial aid. The Provost offered to have a preview for the Policy Committee before it goes to the Board—this likely will be at the regularly scheduled meeting of the Academic Senate Budget Committee on the 24th of January (perhaps as a joint meeting with Policy).
- f. Deferred Maintenance. Senior Vice President for Finance and Business Operations David Massaron has prepared a request to present to the Board of Governors to attack the problem of deferred maintenance over the next few years. He will include this in the multi-year budget. Beale asked if the administration was still planning to raze some buildings as was mentioned in the most recent master plan. Kornbluh said that the first goal is to shrink the footprint and vacate buildings that would be expensive to repair.

3. President's Report.

- a. School of Medicine Ad Recognizing Faculty. The School of Medicine had an ad in the Detroit Free Press on December 12 listing numerous faculties as recognition for their achievements, including awards received, during this past year. Beale suggested that this is a positive development, since so much of the university's marketing seems to focus on large scale programs put forward by top administrators rather than on the work of individual faculty.
- b. Enrollments. The latest enrollment report comparing winter term 2022 with winter term 2021 shows the undergraduate enrollment is down 0.01% and the graduate and professional is down 2.45%. Graduate enrollment continues its decline, down 11.39%. Overall enrollment at this point is down 3.0%.
- c. Research. A report shows that in 2020 the university received 285 research awards; in 2021 320 awards were received bringing the number back to the number received in 2019. Noreen Rossi asked Vice President for Research Stephen Lanier to share the information with the Senate's Research Committee. She noted that the drop in 2021 might be due to the closure of labs during the pandemic when clinical research ceased.
- d. COVID-related issues raised at the AAUP-AFT Council Meeting. At a recent meeting of the AAUP-AFT Council, members raised questions about verifying that students are allowed in class. They were not clear that faculty could require students to show their screeners in buildings without an assigned monitor. Various members also were unclear about making reports of non-compliance and others mentioned lack of clarity about what triggers lead to campus closure. Beale and Danielle Aubert suggested that another

message be sent to faculty in early January about the triggers that move classes virtually and how to use the screener. Paul Beavers wondered if faculty wanted the decision about students showing proof that they were allowed on campus to be handled departmentally and not left to individual faculty. Kornbluh said that Wayne State is taking tracing more seriously than any university with which he is familiar. He will ask Laurie Clabo to write a message about the importance of the screener for public health to trace cases of COVID and ways faculty can check students' compliance. Individual cases have been found in classes and in housing but there have been no cluster transmissions from those cases.

Council members also questioned how departmental decisions were made about modality and course offerings. Some feel they did not have a choice in the decision-making process and that decisions were made arbitrarily. There was some question whether students' voices were being heard.

A significant concern was the compression of disciplines due to COVID scheduling. Usually, the deans and chairs talk about what courses to offer but Council representatives said that because of the difficulty of scheduling courses there was some question whether to offer courses that faculty are not comfortable teaching virtually. They worry that this will affect what courses can or will be offered in post-pandemic schedules, thus resulting in a loss of breadth, especially as budgets are tightening. Kornbluh responded that all efforts are focused on increasing enrollment and not shrinking the university. The administration is not talking about eliminating faculty or discontinuing disciplines; instead, it is looking for ways to use classes and disciplines to increase enrollment. It will be important for faculty to provide leadership in this effort. Kornbluh emphasized that we have a good product; but we have not done a good job of marketing the university's academics in the past.

4. Survey of Warrior Educational Engagement and Transformation (SWEET). The administration proposed the use of a proprietary educational survey (SWEET) to replace the National Survey of Student Engagement (NSSE) that it has occasionally used in the past. A pilot of the SWEET will be administered in the winter 2022 term. The working group that developed the survey consulted with the Senate's Student Affairs Committee and the Policy Committee. Although the Policy Committee was concerned about the loss of longitudinal data and the loss of comparative data with other NSSE participants, it considers it important to have a thorough survey of our students that captures important perspectives to inform university offices in academic and non-academic programming and understands the cost concerns regarding continuing with the NSSE. Policy Committee endorsed the pilot administration of the SWEET.
5. Ad Hoc Diversity, Equality and Inclusion Committee. Pynthia Caffee resigned as co-chair of the committee. Marisa Henderson, Mathematics, Liberal Arts and Sciences, was appointed co-chair. Scott Tainsky, Professor of Management and Information Systems, Liberal Arts and Sciences, is the other new co-chair for the winter term.
6. School of Medicine. Dean of Medicine and Vice President of Health Affairs Mark Schweitzer joined the meeting to discuss several issues facing the Medical School. He explained that the money the federal government gives to hospitals for caring for indigent patients must flow through a medical school, and the institution is entitled to charge a fee for administrative overhead. Michigan State University is the largest such academic partner in the state. When this program started several years ago, the dean at that time believed the program was short term and was not aggressive in trying to enroll practices through Wayne State. As a result, all of the full-time practices at Tenet are at MSU.

Three and one-half years ago a conflict between the University Pediatricians practice plan and the university ended with the pediatricians affiliating with Central Michigan University, moving their PEPPAP reimbursement funds to that university. That was a significant financial hit to the medical school. Although not a part of the university at the time, Schweitzer thought that the negotiations with the pediatricians were made more difficult because of the amount the university charged for its administrative overhead. One of the difficulties is that the information on what other institutions charge is not easily available. Upon taking over, Schweitzer decreased the amount Wayne State charges for overhead because his sources told him our overhead was too high. Although not clear, the University Pediatricians apparently got a better rate on overhead at CMU than had been provided at Wayne State.

The emergency medical practice (EM) was independent of the UPG and faced budgetary problems about a year ago when the COVID pandemic affected emergency room services nationally. The EM group told the dean they were in financial trouble and asked for assistance. Schweitzer responded by providing a rebate of one-half of the so-called dean's tax that practice plans pay into FMRE. A few months later the EM practice approached the dean again, noting that financial problems had increased and remittance of one-half of the dean's tax was not enough. Schweitzer then offered to rebate the entire dean's tax for more than a year.

Unknown to Schweitzer, it turned out that the EM group was looking for alternatives that had a higher rate of return to the physicians. At the beginning of December, they informed Schweitzer they would use CMU as their institutional intermediary for PEPPAP. Schweitzer asked if he could do something to keep them at Wayne State. They said that anything he could offer was a fraction of what CMU offered them, and they had already signed a contract and thus could not negotiate with Wayne State. The School of Medicine reached an agreement with the emergency physicians that the academic department that is funded by the practice plan would be funded at the same level or higher. They will train the same number of medical students. All their grants will run through Wayne State. The faculty will continue to have faculty appointments and we will continue to have a salary reimbursement agreement where they pay us to pay some of their faculty so they get Wayne State salaries. The only thing that changed was the bank account and our margin, which is not insignificant. Wayne State lost more than \$3M. Wayne State has a contract with the physicians on subsidy. Schweitzer agreed to continue that contract and they have been paying that contract. We lose the PEPPAP funding, and we will have four CMU students.

Noreen Rossi said that the emergency department has been busier than usual during the pandemic. Schweitzer agreed that during the pandemic patients were in the emergency department longer than usual. Hospitals are understaffed so patients cannot be admitted because there are no rooms for them. The typical visits to emergency such as broken bones and shortness of breath due to cardiac conditions are not coming in. They were down about \$5M in professional fees per year. Rossi added that one-half of the beds in the emergency room are currently occupied by patients admitted through the intensive care unit. Without those beds, the ER doctors cannot see new patients, and patients remain in the emergency department for two days because wards are closed.

Schweitzer is concerned about the lack of leverage Wayne Health has with Tenet in the next contract negotiations that will take place in about 18 months. The SOM has been working hard to diversify revenue streams. Between two and five years ago we were about 90% DMC revenue. This year it is about 50% DMC revenue. Next year he expects DMC to make up about 40% of SOM revenue. By the time of the negotiations, he would like to have about 2/3 non-DMC

revenue. Rather than paying pennies on the dollar we could negotiate a reasonable rate. We have been successful in a short period of time in diversifying revenue streams. For example, we now have a contract with the Department of Corrections and with the Wayne County Health Department and many contracts with the state. We also now see patients at 400 Mack and have contracts with St. John's and St. Mary's hospitals.

Physicians in the Wayne Health practice plan are, of course, upset about the emergency department leaving the practice plan. When Wayne Health was formed, the emergency department and pediatrics were part of it. Two of the progenitors now have arranged a better deal. Schweitzer noted that the PEPPAP money can provide safe harbor funds, chair startup funds, and improvement to the 400 Mack facility, so that is a real benefit to the Wayne Health Practice. In addition, he is now undertaking a sensitivity analysis regarding change to the PEPPAP administrative overhead. A complication is that any change in the institutional adjustment fee necessarily results, under law, in the same change for all affiliated practices. Thus, if you decrease it by half across-the-board you may risk losing more money than would be lost from practices jettisoning the connection.

There is a bright side, in that we also have added new PEPPAP partners—the radiation department at Dearborn and Michigan Health Professions. A few months ago, we renewed the contract with Henry Ford Health System for two years. Schweitzer is negotiating with the anesthesia group at Dearborn to start a residency there for which Wayne State will provide some support. In compensation for using our name they will give us the PEPPAP funds, and they will have a much lower dean's tax ratio. While changing the institutional adjustment is challenging, Schweitzer indicated that he would like to reduce the dean's tax rate. If we get this contract we should get the same from the DMC because the same practice covers both institutions. He thinks this will make our overall charge slightly less than Michigan State's. Schweitzer had hoped that new groups joining us for PEPPAP purposes would give us some financial stability, but it is likely they will just balance the loss from emergency medicine.

Beale asked about the source of the \$6M-\$8M structural deficit in the School of Medicine. Schweitzer said the deficit was in the General Fund. It was, of course, resolved for FY '21 by transferring money from the PEPPAP account. To surmount the structural problem is a long-term issue. We don't own a hospital that provides a subsidy to support our research, like Michigan does. And there are two compounding factors: (1) the subsidy-dependent salary reimbursement contracts that have not been reimbursed and (2) too low amounts of salary on grants. We are roughly at the 50 percentile of grants in the U.S., but we are at the 25 percentile of salary support on those research grants.

Beale noted several conversations recently with various members of the medical school's Budget Advisory Committee who have complained that they have not seen an all-funds financial statement that would help them understand the factors that are creating the structural deficit. Beale suggested that this lack of transparency and uncertainty about the financial standing of the school is a part of the morale issue at the medical school. Under the collective bargaining agreement, the BAC should be able to see financial statements to understand where the deficit is and to understand what cuts are needed.

Schweitzer responded that he does speak to the BAC on a monthly basis, but no one had made specific requests for statements until the last meeting: at that meeting, the vice dean Thane Peterson shared with them the exact dollar and percent figures they requested. Beale suggested that the BAC members should be given printed copies of such statements so they have the opportunity to review them and ask questions about them. Schweitzer noted that he

takes pride in transparency and has been told by members that he is more transparent than prior deans. He will happily share printed statements with BAC members if they direct specific requests to the Vice Dean at least a week prior to the meeting. Beale appreciated that response, noting that while the university does not yet have an all-funds budget format, we do have PEPPAP account statements and a record of how that money is used. There is a financial statement of General Fund money and how money is spent on equipment. how much goes for faculty compensation. There is information on receivables due from practice plans. All of these areas of information are important for the SOM BAC, but if they do not receive it in writing, they cannot easily recall and share even the broad category numbers with others in the med school.

Schweitzer noted that the amount of money the university gets from the different hospital partners may differ among the partners and it could be problematic to reveal that level of detail. Beale responded that the information does not have to be that detailed but can provide numbers for those sorts of confidential contractual relationships in the aggregate. Schweitzer noted that a special restructuring committee created last year met for six months and saw all the grant funding. The committee was composed of the chairs of every major committee in the medical school, with two appointees—an ad hoc faculty member and Linda Hazlett, Vice Dean of Research and Dean of Graduate Programs. Beale suggested that the information given to the restructuring committee would likely be helpful to the SOM BAC. Schweitzer agreed to share that information with Policy.

Schweitzer said the fundamental issue is the grants held by med school faculty and the percentage of salary support provided on those grants. The school's research office tried to communicate with the faculty about the problem, but they got immediate pushback. He wanted to have an incentive system so faculty would put higher percentages of the investigators' time on grants. The Dean is prepared to incentivize faculty who have any support on grants. The deals must, of course, be negotiated with the AAUP-AFT.

Rossi noted that it is entirely appropriate for faculty to put the amount of salary on a grant that is commensurate with the expected time/effort spent on the grant. About 30 years ago the dean of medicine issued a directive that the salary support for effort on grants for the principal investigator should be commensurate with the effort on the grant. At that time, some individuals were putting only 1% of their salary on grants when they were working on them 20% of the time. Salaries commensurate with effort is what would be expected by grant reviewers. This became a matter of contention among the med school faculty recently because of a perceived new requirement that an individual must put a specific amount of effort on every grant. One objection to such a requirement might be that the effort of the principal investigator (PI) and the co-principal investigator (co-PI) need to reflect sincerely and honestly the effort that is required for the successful completion of the work that is proposed. The National Institutes of Health considers reviewers' comments regarding whether the amount of effort proposed to complete a grant is appropriate. Rossi suggested that there might need to be better communication regarding the expectations around the amount of effort that should be put in any grant and that it should be realistic. Schweitzer agreed that the grant request should be commensurate with the effort. He noted that he has served on many study sections and has rarely seen a research project for which the PI had less than 25% effort. Many investigators have told him that they cannot afford to do the work if they have to include co-investigator salaries on the grant, and that is a concern, since the grant should cover the actual cost of the research. If it does not, perhaps the researcher should reconsider that type of grant.

Another major issue noted by Schweitzer is that some research faculty are not currently submitting grants, and some have not done so for five years. The committee was unanimous

that this problem should be addressed. The proposal for addressing it was to develop some type of disincentive, but there was no consensus on what it should be and most of the disincentives mentioned would not be permissible under the collective bargaining agreement. That is why Schweitzer is seeking a way to incentivize research faculty to submit grants and do more funded research.

Kornbluh noted that Schweitzer had expressed his willingness and desire to work with faculty to resolve these issues surrounding productivity. Rossi suggested that there had been a breakdown in communication in several places. When an agenda for the BAC was being prepared recently, she had requested certain budget information but there was no response. Beale noted that she had heard the same complaint from various other faculty. Schweitzer noted that if BAC requests for budget information are made at least one week before a meeting to provide time for the staff to pull the information together, he will ensure that it is available (unless there are confidentiality or other reasons that the particular information cannot be provided). Beale again noted that aggregate information in some budget categories would nonetheless be very helpful. The dean might share the summary General Fund financial statement for FY 2021 year end, for example. She mentioned that when people hear that a budget is balanced they may not understand that it was balanced because a structural deficit was covered by funds from another budget category. Beavers noted that the agreement between the university and the AAUP-AFT obligates administrators to provide budget information, and a practical reason for providing written information is that it prevents distortions in information when BAC members communicate with others about what they remember being said.

Aubert complained that there had been a breakdown in communication on multiple fronts. Schweitzer is talking to Policy Committee about incentivizing faculty, but the letter to the AAUP-AFT asked to talk about cutting salaries. There was no communication with the emergency medical practice plan until recently. Schweitzer responded that the statement he sent to Aubert and Boris Baltes indicated that incentives would be provided. An independent practice plan's only requirement is to open their books once a year to the university, so there is little basis for communication with such corporate entities that merely have a commitment to pay a fee.

Beale cautioned that it is problematic to attribute the bad practices that occurred in the medical school prior to Dean Schweitzer's tenure to the current dean, merely because we have a result with the emergency group that is similar to what happened in the past with the pediatricians. We should try to assess the situation from its current status, understand the issues, and consider options to address them.

Dean Schweitzer left the meeting.

Discussion continued among Policy members. The Provost said the situation in the medical school is complicated. It has many financial challenges. It is a very competitive, complex, and a difficult environment. The environment is very different from universities that own a hospital. The school faces disillusion among the people as well. The dean tries to balance sharing the bad news with keeping up morale. Kornbluh recognizes the importance of sharing financial information in a format that can be studied more closely and understood by the BAC and will work with the dean on that issue.

Beale suggested that one of the most important things he could do is to share written financial summaries that justify the statements he makes, such as the summary that shows the structural deficit. He does not have to release any confidential transaction details. If he would give that

information to the BAC whether or not the committee asked for that specific information, it would be very helpful to the morale issue and the credibility issue.

Jennifer Lewis suggested that the university should bring in outside professional help to develop a better leadership style. The problem is throughout the university. Kornbluh said he has a plan for leadership development for the new deans who soon will join the university.

Beale noted that Policy Committee did not talk with Schweitzer about graduate medical education, which is an additional issue of concern among the medical school faculty. Various faculty have noted that Dean Schweitzer has said “Wayne State is not a graduate school, but rather a medical school training medical doctors.” Given the medical school’s importance to our R1 standing and the relationship between graduate education and research, that is rather concerning as well.

7. Budget Planning Council (BPC). Santanu Mitra, Professor of Accounting, Mike Ilitch School of Business, who served as one of the Senate representatives last year has agreed to continue. Policy Committee needs information about the likely schedule of meetings before it can confirm the other representative. Beale serves on BPC as the president of the Academic Senate and Beavers as Chair of the Senate Budget Committee.
8. Plenary Session. Policy Committee discussed the agenda for the first plenary session in 2022 (likely in February rather than January, as in past years) and possible agenda items for the remainder of the winter term.

Approved as amended at the January 10, 2022 Policy Committee Meeting