

Faculty Senate 2013-14 End-of Year Committee Reports

SENATE EXECUTIVE COMMITTEE, April 24, 2014

Members of the Faculty Senate Executive Committee: Elaine S. Brooks- College of Liberal Arts, Enrique La Motta- College of Engineering, Marie A. Morgan- Earl K. Long Library, Dinah Payne- College of Business Administration, Connie Phelps- Earl K. Long Library, Jairo Santanilla- College of Sciences, Richard Speaker-College of Education, Steve Striffler- College of Liberal Arts, Cherie Trumbach- College of Business Administration

Report submitted by Elaine S. Brooks, President of the Faculty Senate 2013-2014

The members of the Faculty Senate Executive Committee (FSEC) met three or four times a month on every Wednesday morning at 9:00 am in the fall 2013 semester and at 9:15 am the spring 2014 semester.

During the academic year 2013-2014 the committee worked on issues that affected faculty governance and faculty representation, along with some housekeeping details that have been completed.

Website Cleanup and Bylaws- The Faculty Senate website has been updated with minutes from the fall 2013 semester. By the end of the spring semester 2014 all minutes from spring 2014, all agendas for 2013-2014 FS meetings and the revised bylaws will be posted on the Faculty Senate website. Connie Phelps, Marie A. Morgan and Elaine S. Brooks worked on the bylaw revisions. Marie A. Morgan is recognized in this report as having excelled in revising the FS bylaws. The FS bylaws are now aligned with the University of Louisiana System.

Faculty Governance and Faculty Welfare Issues- The following issues were discussed and completed by the FSEC or to the Faculty Senate Committees:

Fall 2013 and Spring 2014

- 1) Lactation room facilities were discussed and the FSEC crafted a resolution that stated, "The Faculty Senate of the University of New Orleans is fully supportive of measures to be taken to provide compliant facilities to satisfy legal and moral obligations to familial health and wellbeing for students, faculty and staff at the University of New Orleans;"
- 2) The Budget and Fiscal Affairs committee was charged with understanding the policies that drive the assignment of revenues and costs in the RCM Model as used in the University and compare to our peer institutions that also use RCM;
- 3) Academic Freedom, Tenure and Professional Ethics Committee Charges
 - I. Summary and discussion of different proposals for weights given to teaching, research and service;
 - II. Proposal to request that an instructor workload policy be drafted and discussion about a Faculty Senate proposal for developing that proposal;

III. AFTPE's assessment of the evaluation policy;

- 4) Human Resource Management asked the FSEC and the entire FS for input regarding the creation of an Employee Recognition Program and asked the Senate to help create the criteria for selection; the Faculty Welfare Committee was charged to partner with HR to establish the criteria;
- 5) Bill Sharpton and Leslie Culver met with the FSEC on September 9th, 2013 to discuss appropriate representation of FS on all university-wide committees. A central repository of committees, their charges, appointments, members, and annual reports were discussed. Consequently a repository has been built into Sharepoint, but the charges of the committees concerning Faculty Governance still need to be written. Dinah Payne, Connie Phelps and Elaine S. Brooks will complete this work by the end of the spring semester 2014;
- 6) Christine Day met with the FSEC on September 25th, 2013 to discuss concern about Veterans Benefits on campus and Elizabeth Shirtcliff also met with the FSEC to discuss the closing of the UNO Children's Center.

Academic Procedures and Standards Committee – Reported on veteran's advocacy at UNO at the October 23rd FS meeting, which also includes students who are on active duty (Dr. Christy Corey, chair; see Office of Veterans Affairs website: <http://www.uno.edu/registrar/veterans/>):

Dr. Corey pulled up the website and remarked that the current number of students in this population is 406 military students and dependents. UNO is recognized as a VA School of Excellence. Right now, the Office of Veterans Affairs is located in the Privateer Enrollment Center and is headed up by Dedrick Raby, who keeps up with changes and what is being covered.

Faculty Welfare Committee – Closure of UNO Children's Center

At the October 23rd FS meeting, Dr. Shirtcliff reported that she had gone to the Senate Executive Committee with her concerns over the closing of the Children's Center; then she convened an emergency meeting of the Faculty Welfare Committee. Dr. Shirtcliff presented a Power Point to the entire FS concerning the importance of maintaining a children's center at UNO.

- 7) Questions for administrators- President Peter Fos and Vice-President Gregg Lassen met with the FSEC on October 9th, 2014. The discussion revolved around administrative salary raises, the potential shift of academic assets/units, UNO Children's Center and Cost Containment and Revitalization Committee.
- 8) Peter Schock, Chairperson of English met with FSEC on January 15, 2014 to discuss student recruitment and departmental efforts in English to reach out to high school students in the New Orleans area.
- 9) After two resolutions were presented at the October 23rd FS meeting concerning the Workload Policy for faculty, and having not clarified the administration's response to the two resolutions, in February of Spring 2014, the FSEC and the Faculty Council Officers discussed bringing the two

resolutions to the administration during a Faculty Council meeting, which was held on February 14th, 2014.

- 10) General Education Requirements and their revision were discussed at the February 12th FSEC meeting. Our concerns were brought to the Faculty Senate and to the UNO administration.
- 11) On February 19th the Faculty Senate Executive Committee met and discussed a number of issues pertinent to the departure of the Provost. One very strong sentiment that was expressed was the idea that we greatly value the initiatives developed by the Office of Academic Affairs regarding a variety of issues. As a result, the Executive Committee developed a proposal for better shared governance between administration and faculty.

The Faculty Senate Executive Committee has proposed the establishment of the Faculty Governance Committee under the authority of the Faculty Council. This Committee is to be charged with the ongoing efforts, initiated by the Office of Academic Affairs, in the areas of program evaluation and review, performance evaluation, workload policy and unit restructuring.

- 12) Change in terms for FS Officers- Much discussion ensued during our March meetings of 2014 regarding the transition of officers from an August term to an April term. The final revisions will be voted on at the FS meeting on April 24, 2014.

ACADEMIC FREEDOM, TENURE AND PROFESSIONAL ETHICS

We began the year by continuing work from 2012-2013 on the faculty workload policy presented by Provost Payne. We drafted a resolution in July 2013 in response to Provost Payne's original workload policy. Our resolution requested several changes, all of which Provost Payne agreed to even before we could present the resolution to the full Senate for consideration. Despite Provost Payne's acceptance of the details of our resolution, we presented the document to the Senate for consideration and discussion. After discussion we were asked to revise the document to include changes in the process (i.e., the "mix" of faculty responsibilities and the weights assigned to each and the inclusion in the workload policy of instructors and other full-time non-tenured, non-tenure track faculty). After the revised resolution was passed by the Senate we presented it to the Provost and awaited his response.

Several months after presentation of the revised Faculty Senate Workload resolution, members of the committee were called into a meeting in which Provost Payne and Assistant Provost Sharpton presented a dramatically different workload policy. Despite the changes, we found the policy generally workable as presented. Later, when the policy was distributed to the entire faculty, we learned that the entirety of the latest policy had not been presented to us, despite our pointed questions, and that it included details we found entirely unacceptable. At that point the Faculty Council had already been called so we gathered to write a second resolution for the Faculty Council where we asked faculty to voice support for our concern about the top-down administrative style which avoided faculty inclusion and voice. That resolution easily passed and President Fos suspended the workload policy process until her could constitute a faculty advisory committee.

To summarize, the bulk of our work this academic year has been dealing with details of the workload policy, working with the 2012-13 Senate Executive Committee, President Fos, Provost Payne, and Assistant Provost Sharpton.

ACADEMIC PROCEDURES AND STANDARDS

This Academic Procedures and Standards Committee investigated all avenues of support for UNO students who are active military or veterans. In Fall 2013, 406 military members and/or their dependents were enrolled at UNO. UNO is recognized as a VA School of Excellence. Current service to vets and active military students is provided via the Office of Veterans affairs which is run by Dedrick Raby. Katie Bandy is also a go-to person as an Admissions Counselor for Military and Adult Students. Currently, Mr. Raby is attempting to form a student organization that can function as a support group for these students. A veteran faculty or staff member who is aware of the special needs of these students will be chosen to be part of this organization. Military students mostly major in Engineering, Business Administration, or Interdisciplinary Studies. Perhaps we can, via Global UNO, offer courses online to this population or simply enhance our Office of Veterans Affairs website to better serve their needs, particularly when deployments for active duty interrupt the students' current semester of coursework.

BUDGET AND FISCAL AFFAIRS

During FY 2014, the UNO Senate Budget & Fiscal Affairs Committee (*the committee*) was charged by the Senate with “understanding the policies that drive the assignment of revenues and costs in the RCM Model as used in the University and to compare our RCM Model to our peer institutions that also use RCM.”

As part of its charge, the committee met with Dr. Gregg Lassen, VP for Business Affairs, on Oct 16 and Oct 30, 2013, and with Dr. Matt Moore, Assistant Provost and University Registrar, on Nov 20, 2013. The main result of the discussions is the attached report, which summarizes the overall fiscal situation faced by the university (as of the beginning of the fiscal year).

The main open issue for the Senate to decide is what is going to be the charge for the committee for next year given the changes in leadership and (presumably) overall approach to budgeting. In particular, there is currently no well-defined mechanism by which faculty participate in the regular budgeting process.

Committee Members: *Mark Kulp, Ivan Miestchovich, Marie Morgan, Marla Nelson, Mark Reid, Vassil Roussev (vice-chair), Polly Thomas (chair)*

The RCM Model & UNO

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Status Quo

As part of its charge, the committee met with Dr. Gregg Lassen, VP for Business Affairs, on Oct 16 and Oct 30, 2013, and with Dr. Matt Moore, Assistant Provost and University Registrar, on Nov 20, 2013. Based on the discussions, the overall fiscal situation faced by the university, which can be summarized as follows:

- *Sources of income.* Tuition (\$42M) and state allocation (\$21M) constitute 95% of our current income. Fees (1.5%) and indirect cost recovery from research grant (3-3.5%) comprise the rest. The base state allocation rate is \$141.05 per credit hour; that rate is adjusted according to a matrix of parameters, such as level of student, program of study, and CIP codes. The rate is then adjusted by subtracting 63.83% of it and, from the result, an additional 43% are subtracted; this leaves ~\$29 per credit hour.
- *Declining income.* Over the last four years support from the State of Louisiana has declined from \$54M to \$21M; we’ve had a parallel decline in enrollment and the corresponding tuition income. Although costs have declined as well, the rate of decline has been slower leading to a primary imbalance between income and expenses.
- *Structural budget deficit.* UNO, following poor budget practices, has had a structurally unbalanced budget, with operating expenses exceeding revenue from tuition and the State, for the past several years. The difference had been covered with existing reserves, ORSP funds, and

other unsustainable sources. At present, there are no more funds available to cover the gap and UNO has no choice but to balance its books. The budget gap as of last years was in the order of \$6M: \$100M in income vs. \$106M in expenses.

Updated numbers show an estimated gap of \$4.88M for the Fall 2013 semester and a projected \$2.44M for the Spring 2014.

- *Cost structure.* Approximately 70% of the expenses are payroll related; following years of persistent cuts, the usual “easy” targets outside of personnel (such as travel) have already been shrunk to a rounding error. UNO is locked into some external contracts that could be improved but timing and success of such efforts are uncertain at this time.
- *Vanishing reserves.* As of the beginning of the FY 2014, UNO has approximately \$14 million in reserves (down from \$19 million in FY 2013). The vast majority of these are restricted and access to them to cover any shortfalls is difficult and complicated, *at best*.
- *View from the top.* According to Dr. Jim Purcell, Commissioner of Higher Education, during his Nov 14, 2013 campus visit, UNO is *overfunded* as per the State’s allocation formula, which points to funding at \$17.6M. UNO has the lowest student-to-faculty ratio of 20:1 among our peers; the next closest institution is at 26:1. State allocations assume an average size of 26.

The essential takeaway is that, over the medium-to-long term, the university cannot simply cut its way out of the current situation—the proverbial “fat” is long gone. UNO needs (urgently) to bring in more income in order to sustain itself and compete successfully with other universities.

Long-term Income Initiatives

The main focus of the administration at presents is twofold: a) stop enrollment decline and improve retention rates; and b) begin investing in initiatives that would bring future growth.

- *Improve retention.* Currently, UNO is at the bottom of its peer group in terms of student retention and any success in improving that will have an immediate impact on the bottom line and will also improve our reputation.
- *Recruit out-of-state students.* While UNO will always serve the needs of the Greater New Orleans area, we need a larger pool of potential students. One strategy would be to use New Orleans and low tuition to attract students from large metro areas, such as Houston, Dallas, and Chicago, which are one short flight away. Given the large populations of these metro areas, up to 1/3 of our future student body could come from out of state.
- *Recruit internationally.* With its international initiatives, UNO is well positioned to attract international students, which (over time) could account for up to 1/3 of our students.

The takeaway is that these initiatives are in the process of being implemented now but, even in the best case, the returns on investment—especially recruitment—would take in the order of 3-5 years to make a notable impact on our budget situation.

Immediate Income Initiatives

Currently, the most immediate path to improving the income rests with:

- *Variable tuition rate and per-hour tuition pricing.* Variable tuition rate would allow the university to charge different tuition rates for different specialties (thereby, better aligning them with actual costs); per-hour pricing will remove the current cap on tuition charges per semester

(which forces the university to subsidize student taking more than 12 credit hours). There are active legislative initiatives that would implement these (potentially) in time for next fiscal year.

- *Reduction of scholarships.* By law, the university should not be offering more than 120 scholarships at any one time; currently, UNO offers upwards of 2,600 of them at a total cost of \$10.9M. Normalizing the scholarship level would take several years but some results, in the form of smaller future commitments, will begin to show up next fiscal year.

Cost Containment

Cost containment will be *the* major task for the university for the remainder of the fiscal year, and for the foreseeable future. The Board of Regents has made it clear that fiscal discipline will be imposed on the university should the internal process fail to deliver the necessary results in the form of a balanced budget.

The main concerns on part of the committee are that:

- There seems to be a breakdown of communication between the administration and the faculty body. Faculty have had difficulty in obtaining direct, relevant information regarding the transition process and the decisions that would have to be made at the department/college level. The administration has not received the expected response from the departments and colleges. Much valuable time has been lost in this untenable situation.
- It appears that the *Cost Containment Committee* is expected to bear the heavy burden of making some very critical decisions, yet there is currently no strategic plan clearly outlining the priorities for UNO. There seems to be no concerted effort to understand UNO's current (and potential) program capabilities at different funding levels.
- Although the new administration has been responsive and forthcoming with respect to information requests, there seems to be no clearly established decision-making mechanism by which faculty and the administration can work together constructively and efficiently through this difficult period.

RCM

The purpose of the *Responsibility Center Management* (RCM) approach to budgeting is to attribute both income and costs to individual units (colleges/schools) of the university, thereby creating a more direct connection between decisions made and budget reality at the individual units; it is a more decentralized approach to budgeting.

*"As typically implemented, RCM prescribes revenue and indirect cost allocation (ownership) rules and then gives schools and other revenue-generating units the responsibility to cover the total costs of their programs indirect, as well as direct from the revenues generated by their teaching, research, or business service activities. Program revenues include tuition, gifts, endowment, research and service income, and indirect cost recoveries."*¹

The budgeting process that the State mandates is request-driven and all requested funds from the State will continue be submitted and justified in its current form; the university is not in a position to replace

¹ Strauss, Jon C.; Curry, John R., "Responsibility Center Management: Lessons from 25 Years of Decentralized Management." 2002. ISBN-1-56972-020-7. <http://files.eric.ed.gov/fulltext/ED469330.pdf>

that. Internally, UNO can decide to use RCM (or any other model) but the final request coming out would still need to be translated to the required format.

Currently, UNO has a fairly detailed implementation of the RCM, which accounts for all tuition and state allocation income (but not indirects) and all expenses down to the faculty level. Most aggregate queries related to the model are available to all faculty via Webstar.

Two of the main parameters that are being used in the current model are:

- 50:50 split between academic and non-academic costs (vs. the prior 40:60)
- 80:20 split for SCH between the college teaching a course and the student's major college

Dr. Moore has committed to explain/demonstrate the live model as it currently stands.

Open Questions

There are a number of open questions that the committee has identified that go beyond the technical implementation of the RCM and into issues of policy and decision making mechanisms:

What is the envisioned budgeting process?

The reference document sketches out a multi-step budgeting process; at this point it is unclear what shape that would take at UNO.

What principles will be used for attributing SCH and other income?

In the reference document, the following example suggests that some principled choices would have to be made:

"We will suppose that tuition revenues are allocated in proportion to credit hours taught. Thus School A generates 67 percent of total credit hours (100/150) and School B, 33 percent (50/150). An alternative algorithm might recognize that the majoring school should receive some direct portion of tuition revenues to represent the fact that it attracted the student's interest (and tuition payments) and incurs advising costs. Thus one might allocate 80 percent of total tuition revenues in proportion to credit hours generated, and 20 percent in proportion to total numbers of majors."

Who will determine the RCM formulas, and based on what principles? What is the process by which adjustments would be made?

"Develop broad-based involvement and acceptance for the underlying principles early on. They will guide intelligent evolution of the system."

What is the relationship between the numbers produced by the RCM formula and actual budgets?

The committee had the distinct impression that no specific decisions have been made at the administration level, yet. Dr. Lassen pointed out that, in its pure form, RCM would likely show all units in the red as the whole university has a sizeable fiscal imbalance; it is unclear what individual

colleges could practically do to balance their budgets on their own. The administration is working on relieving some of the non-personnel costs to achieve a more balanced starting point.

At this point, it appears that there will be a difference between the budget that comes out of the RCM process and the actual budgets. In that sense, the formula would be more of an analytical and advisory tool rather than a prescriptive one. We have no clarity on how the gap would be filled.

EVALUATION OF ADMINISTRATORS COMMITTEE

The members of the committee are Dinah Payne, Connie Phelps, Elaine S. Brooks, Richard Speaker, Christine Day and Nicola Anthony.

This report is submitted by Elaine S. Brooks.

On Tuesday, April 1, 2014 the committee members of the FS Evaluation of Administrators met to review the documents for evaluating Dean Sharon Mader and Dean Steven Johnson

The committee worked for two weeks to acquire external reviewers and to edit the two Deans' evaluations.

On April 16, 2014 the evaluation of Dean Sharon Mader was sent out to all staff and faculty at UNO. On the same date the evaluation of Dean Steve Johnson was sent to all staff and faculty of the College of Sciences and to the University Council at UNO.

The evaluations will be available for completion by the UNO faculty and staff until the end of the day on Friday, May 2nd.

NOMINATIONS AND ELECTIONS COMMITTEE

During the 2013-14 academic year, the members of the Faculty Senate Nominations and Elections committee (Andrew Goss, Robert Montjoy, Leonard Spinu, Matt Lyons and Connie Atkinson) were active in four areas. First, we oversaw the nomination and elections process of both the August and April Faculty Senate officer elections. Second, we oversaw the populating of the Faculty Senate Committees. Third, we maintained the senator electoral rolls, as well as aiding the SEC and the colleges in the nomination/election of members to the University Committees. And fourth, we advised and met with administrators from Academic Affairs in an attempt to make more routine the work of the University Committees.

FACULTY WELFARE, April 18, 2014

This year the Faculty Welfare Committee made a determination of the issues most important to the faculty. To do this, we solicited input from all UNO faculty members through a Qualtrics survey. A report of that survey is attached to this email. The most important issues reported by UNO faculty were, in order of urgency, 1) Compensation, 2) Benefits, and 3) Travel support. Careful review should also be made of the important comments submitted by the faculty in this report. We urge that these comments and this report is shared with university and system administrators.

This survey should serve as a basic roadmap to guide future efforts of the Faculty Welfare Committee during academic year 2015-2015.