

**UNIVERSITY OF MASSACHUSETTS AT AMHERST
OFFICE OF THE FACULTY SENATE**

MINUTES: Presiding Officer Frank Hugus called the 588th Regular Meeting of the Faculty Senate to order on March 15, 2001 at 3:30 p.m. in Herter Hall 227.

A. PRESENTATION BY FERGUS CLYDES DALE OF THE PROVOST'S COMMITTEE ON "REVENUE ENHANCEMENT"

Professor Fergus Clydesdale gave a presentation on the work of the Provost's Committee on "Revenue Enhancement" whose charge was to examine new revenue possibilities in the area of sponsored activity and cost recovery, Continuing Education and endowment income, and to examine in greater detail and scope the prospects and challenges in those areas, and any other revenue potential that may exist. The written report has been submitted to the Provost.

QUESTIONS

Senator Gordon Wyse asked if the faculty stagnation and decline mentioned by Professor Clydesdale in relation to Distance Learning was a quantitative rather than qualitative measure.

Professor Clydesdale answered that yes, the measure is quantitative.

Secretary of the Faculty Senate Ernest May asked if the committee had associated any numbers with the topics they had discussed regarding revenue enhancement, and also wondered when they would start looking at any of those areas as potential solutions to financial problems.

Professor Clydesdale answered that it would be virtually impossible to put numbers on these topics because the numbers that the committee has considered are only recommendations for areas that should be up for discussion. He then mentioned that real numbers could be considered at budget time.

Secretary May voiced concern for time constraints that faculty might face if they were to be involved in large-scale development efforts.

Professor Clydesdale mentioned that many faculty members are already involved in development work, and that they contribute to the most successful departments. He then added that, whether or not they wish to be involved, faculty should be entitled to incentives for their efforts, especially from those departments who expect their faculty to be involved.

B. NEW COURSES

**MOVED: That the Faculty Senate approve the course GERMAN 276, as recommended
25-01 by the Academic Matters Council.**

This motion was seconded and adopted.

**MOVED: That the Faculty Senate approve the course ANSCI 511, as recommended by
26-01 the Academic Matters and Graduate Councils.**

This motion was seconded and adopted.

Senator Michael Egan made a motion to suspend the rules so that he could present a motion for senators to have immediate and unqualified access to the all-faculty email listserv.

This motion failed on a standing vote of 23-8.

C. ANNOUNCEMENTS

1. Principal Administrative Officers

Chancellor David Scott: Thank you. Since we have some extra time I will make a few comments. First of all I would like to thank Ferg Clydesdale and his colleagues for their report, which I've now had the privilege of hearing twice. I heard it from Steve Goodwin earlier last week. I think it provides an excellent basis for going forward on some very important issues and revenue generation. Let me say though, that I understand the difficulty and reluctance of putting the numbers on that Senator May was asking for. It is difficult to do that. However, I do want to tell everyone here that numbers have already been put on all of these categories simply because we're required to do so in projections that we make to the President and to the Board of Trustees. So, if you refer to Strategic Intent, which is now up on the internet under administration, Chancellor's Office, PowerPoint presentations, it does give projections for each of the categories that the committee has identified. Now, whether these are realistic or not, I can't say. All I know is we have to do the best we can, we have to make the best estimates and guesses we can, and we had to actually make these a year ago last November. But, what I would hope from this excellent report is that we can now engage a lot of people into refining these projections, for the President's Office. Some of them, however, were arrived at by people who are experts in these areas, for example there is an estimate for Distance Learning that projects that by the year 2010 we should be generating 16 million dollars per year from Distance Learning, except that to do that, we'll require an investment of 8 million, which would have to be made in the first 2 or 3 years. That front-end investment is needed in order to create the possibility of generating 16 million per year by year 10 compared with the 1 million or so that Dr. Clydesdale referred to. And that projection was actually made by the Vice Chancellor for Outreach, Bob Helgesen, and the Director of Continuing Education, Kevin Aiken and their staffs. And there are projections for the other areas as well, where we've done the best that we could. I do have to say though that I have a pretty good nose for predicting revenues. I just want to emphasize here that we do not always have the luxury of waiting until really careful realistic estimates for all of these categories are made. We have to be projecting every year, and for these new revenues, projecting for the first time. But I urge you to have a look at Strategic Intent on these issues and engage as quickly as possible through the Senate to refine these numbers, because that may have been bad news. The good news is that these numbers have not been accepted or approved by the President's Office. And that leads me to the next issue, which concerns my presentation on Strategic Intent on Tuesday, and what I would have to say was excellent cut reporting, by our internal press, the Collegian and the Chronicle on that substance. Each paper however made one mistake. The Collegian said that this plan had been rejected by the President's Office. That's not actually true. What the Office has rejected at the moment, or sent back, are the revenue projections and the expenditure projections. They have not rejected the substance of the plan or the concepts of the plan. As a matter of fact, I would say the President's Office in general is rather interested in many of the concepts in the plan that we are presenting. The reason that they have rejected or sent back the revenue and expenditure projections is because the revenues, in their view, contained too much reliance on increases of fees. You've heard me speak about this many times. This campus was the first campus in 1994 to freeze tuition and fees largely, at a time before it was a political issue, in the Commonwealth of Massachusetts by the Board of Higher Education for example. And they have frozen it for good reasons and political reasons I think. They thought costs were too high. For our campus, it was really clear long before the BHE or the Trustees felt that it should be frozen in 95 or 96. We felt it should be frozen in 1994. That was simply because it was clear for this campus that they were too high. So we were an early advocate for freezing tuition and fees. I used to go to BOT meetings and actually get criticized in public for recommending zero increases, because it was their opinion that fees should always go up at the rate of inflation. We have now advocated for 2 years that we

need to have increases in fees. Not because I take any joy in recommending increases in tuition and fees to the BOT, but only because you have to strike a balance between access and access to what. There has to be a balance in providing access, providing the financial aid, providing the support to financial from our operating budget, but also to insure that the students to whom we provide access have something that is worth having access to. At some point we cross over the balance, and I feel we're close to doing that, so I have now responsibly been advocating increases in fees, but politically that is not possible in MA yet, but within another year or two that will happen. But for the moment, it is not politically possible, so the President has concerns. But any plan, even though it's projecting for 10 years, has a concern about an increase in fees. The increases in fees, by the way, which we put into that plan, were fairly targeted. One of them was targeted to cover issues of infrastructure. The second reason that the President's Office has temporarily sent the plan back to the campus is because they do not believe that it contains enough restructuring. In my view, the ten-year plan we sent forward contains the maximum amount of restructuring under the three scenarios we put forward, which is between 20-30 million dollars. It's the maximum amount within the concepts of restructuring that we presented in that plan for section three. 27 million is actually the amount of restructuring. Restructuring means taking funds from one area and putting it into another area in order to fund the priorities that we feel have to be funded. It means budget cuts for some areas, budget allocations for other areas. It does pit one part of the campus against another. It will not be possible not to pit one part of the campus against another, but one can try and come to a collective view of what should be invested in, and what may not be possible to invest in. I haven't figured out a way of solving that dilemma without creating an appearance of pitting one part of campus against the other. But I hope that Marcie Williams will be able to do a better job than I was able to do on that. Anyway, 27 million dollars was restructured and reallocated over the last 6 years, and I reckon that roughly that level is what could be done for the next 6 to 7 to 10 years. To go beyond that, which the President's Office has asked us to consider, would need a much more radical plan of restructuring than anything you will find in scenario one, two or three. I have said no, I have drawn a line in the sand. Enough, no more! You will have to wrestle with that problem, but I don't believe that it is the proper time for this campus to undertake more massive restructuring. The second mistake, which was in the Chronicle, though the Chronicle had an excellent article trying to summarize 79 pages of stuff, it was a mistake which was not their mistake actually, it was because I didn't explain it when I made the presentation that concerns something of great concern to this Senate. That is faculty/student ratios. What I had in that report was a number for student/faculty ratios in this institution, not making national comparisons with peers, but a comparison in this institution in 1990 and in the year 2000. A ten-year tracking of faculty/student ratios, because with that we know what we are reporting. We know what we are counting, so you can make a reliable point-to-point comparison, and the point that I was wanting to make, which has good aspects and bad aspects, is that the total FTE students to the total FTE instructional capacity in this university has, as it happens, remained constant from 1990-2000. That ratio is 15:1. The student counting is easy. What is counted in the total FTE instructional capacity is the entire tenure system faculty, and all of the temporary other faculty. That total, divided into the number of students, is a constant at 15:1. But underneath that gross averaging, there are very important dynamics that of course we are concerned about. That is that there has to be a reduction in the number of tenure system faculty, and an increase in the number of non-tenure system faculty. Actually by 100. It's gone from 250-roughly 350...to some extent by design, but also to some extent by default. As you have all struggled in your colleges, schools and departments, to try and maintain the delivery of instruction, with all of the constraints that are upon us with early retirement, with the fact that one can't shift instructional capacity easily to teach mathematics if you happen to be an expert in Icelandic Language, the only way that we can handle that problem, to meet the shifting demands of students, when one doesn't have expansion of faculty generally, and can't move faculty from A to B, is to fill in with temporary instructors. And we have to ask if that is the best way to design the enterprise, to design the future. That's why there are several sections in Strategic Intent that tell us about a University by design. Now I come to where the error was that may have caused alarm. It talked about the ratio of 15:1 which is a point-to-point time in our campus, and then it jumps to my having said that I believe the student/faculty ratio is probably going to increase somewhat more in the years ahead. It then quoted that I said it might have to go as high as 22:1.

The 22:1 is a very different comparison. It is a number that we use to make national comparisons, because universities nationally do not report temporary instructors. You have to take the ratios from your tenure system faculty. Our ratio today on that basis is somewhere around 20.6:1. I think at least a 5% change might be necessary. But I know that is contradictory to everything that we believe and everything that's been said here today, and everything that many many people on this campus are saying. All I'm saying is that if it is necessary, it's better to do it by design, and not by default. To design what is an acceptable ratio of student/faculty and what are adjusted balancing ratios in different parts of the institution, because while the overall may be 20.6:1, there is always the dreaded underlying second moment of the distribution which is the variations across the mean. And there are some departments that have much larger ratios and some of these are based on pedagogical instructional reasons, and others are simply historical accident. And can one design it a little better as a bulge of 500 retirements move through this institution in the next ten years. Can we get a grip on that situation and try to design it rather than leave it to default? And one of the ways, I'm speaking a little longer today, but as I said on Monday, there's good news and there's bad news. You're not going to have to listen to me much longer. Also because you have lots of time. There's nothing on the agenda. This agenda should be stacked to the limit. This agenda should have been full to the limit on serious serious issues that confront this university. There is no time to lose to have agendas that allow me to talk here for 20 minutes. That ratio will have to change a little bit, but do it by design. And as we do it by design, it will be essential for the Provost's Office to capture every one of these positions in order to work with the Deans and the Heads and the Chairs to deploy them strategically to correct a number of important mismatches and balances as well as targeting the important strategic areas of knowledge that are going to be important for the future. I want to close with something, since I happen to see Craig Moore here today. I've been reading a number of very interesting things that Craig Moore has been writing in his capacity as the Chair of the Program and Budget Council of the Senate. One of the things I happened to be reading this afternoon were some comments he was making about the University of Michigan. I know a lot about the University of Michigan. I spent 15 years in Michigan. And while I was at Michigan State we had a lot of issues with the University of Michigan because we thought they got too much funding from the legislature compared to what Michigan State got. As we, as the President's Office, and as the Trustees, and as the Program and Budget Council looked to comparisons with the University of Michigan, as to what we might have to be doing, UMass, I just want to give you a few facts: it is true that the University of Michigan has a 3 billion dollar budget, probably. It is also true that probably well over a billion of that comes from their hospital system, which we don't happen to have. So the first thing in the comparison is to add Worcester and UMass Memorial Hospital into the equation in making the comparison. But it is true, as Craig has pointed out, that only 10% of that 3 billion dollar budget comes from the state of Michigan. So that would be presumably 300 million. I think the important point that the President, the BOT and Craig is making, is that obviously the University of Michigan has huge sources of revenue from other sources, including all the ones that Dr. Clydesdale and his colleagues have put up there, and that we have made projections and most of which are already underway. What I want to tell you about the University of Michigan is that if we today had the same support per student as the University of Michigan gets from the state of Michigan, plus its tuition and fee revenue, which it gets to keep, it does not return any of it to the state...if this university had the same revenue per student, as the University of Michigan has from the state, how much money additionally, even though it's only 10% from the state in their budget, how much money do you think we would add to our operating budget? Just by claiming parity with the University of Michigan from state and tuition? 139 million dollars in our operating budget. Now I tell you, if we had 139 million dollars in our operating budget, which is 300 million dollars plus, if we had 139 million added to our budget, we would solve all of our problems without raising a single cent from any of these sources of revenue. We would solve all of our problems. My message is do not put up the shutters too soon. You must keep the pressure on, unpopular though it is, that the Commonwealth needs to invest, not to make up for the fairly substantial funding that they have put in in the last 6-7 years, but to make up for the cumulative effects of historical deficits in this university for 28 years. And I pointed out in Strategic Intent that, had the Commonwealth been able to fund this university at the average growth of revenue for the last 25 years, we would, in fact, today have 132 million dollars additional in our budget,

almost the same number as the difference between us and the University of Michigan. This is not an accident. There is a reason for the comparison of these two numbers. Because it is a measure of what states are prepared to invest in their public major University. The final thing I will say, in making comparisons with the University of Michigan, keep in mind it is not a Land Grant Institution. It is essentially, as Craig has probably pointed out, a state-located institution, but it is not a Land Grant Institution and it doesn't have the same mission or commitment to do the things this university has done for 135 years. All I ask is be careful about emulating the University of Michigan-- which happens to be the best public university in the United States, in my opinion. Better than Berkeley. It is a high goal, but their situation, their dynamics and their history and their mission are very different from this university. That is not to say that increased attention must not be given to raising revenues from other sources. On page 58 of Strategic Intent, you will find revenue projections for all of these things at a level that I regard as reasonable for the state's public land grant research university.

Vice Chancellor Frederick Byron: Keeping with the discussion on revenues, I thought I'd bring the Senate up to date on where we stand in grant and contract income for this year, and also in Intellectual Property income. The news is extremely positive. The faculty have been doing an exceptional job. Halfway through fiscal 2001 we had brought in from external sources \$47 million. As a reference point, that's exactly what we brought in for the full year 10 years ago. So, we have been moving forward vigorously and the faculty has been continuing to be very successful in acquiring grants and contracts. Through January, the total number's \$55 million, which is up 15% from last year. So this has every indication of being an exceptionally successful year, of course that's partly driven by the tremendous growth in the federal agencies this past year. But it also represents a significant growth last year in proposals, which are being funded this year. In terms of Intellectual Property, the news is in many ways even more impressive. Last year I told you that in fiscal 2000 we more than doubled our income over fiscal 1999. We are unquestionably going to more than double it again this year in 2001. I think we'll probably come close to \$600 thousand this year. Intellectual Property is entirely a function of the faculty, their interest and entrepreneurship and their willingness to make the effort to bring stuff from the laboratory closer to practical application. An interesting thing which is happening in that regard is that we're getting so much interest from faculty and so many disclosures coming in, so many things are being licensed and patented, that we are adding a new full-time person to the CVIP staff and I'm very happy to report that that person will be paid entirely from revenues generated from Intellectual Property. And I anticipate in the future that there will never be a time when we will again need the support of regular state maintenance budget dollars to run our CVIP. I believe that the growth in disclosures is leading to a growth in patents. More and more, companies are approaching us for licensing. There are several companies now which are moving forward to commercialize some very exciting technologies from this University and I believe during this decade we'll see some very dramatic revenue sources coming from that. It's also something that many faculty enjoy greatly. A lot of faculty are having a lot of fun getting out there, seeing things brought to practical application for the benefit of society. It's completely in line with our land-grant mission. So I think that that is a good omen for the future in terms of the things that Professor Clydesdale was talking about, and indeed that David was talking about a few minutes ago. I would just make one caution about some of the revenue projections. Universities are unusually dependent on external circumstances, many of which we have very little influence over. Because we start to talk about projections from distance education, projections from grants and contracts, and we have to be aware of the fact that societal forces out there can change just a little bit, and the impact on things like the funding agencies in Washington for example can be very dramatic. So it's a tricky milieu in which to try to make long-term projections, ten-year projections. In my opinion, virtually impossible actually. But in the short term, the faculty are being extraordinarily successful in acquiring external funding sources, they are increasingly coming forward with good ideas for commercialization, and so I would say in the near term things are looking very very positive indeed.

Vice Chancellor Paul Page announced that the clock on the Old Chapel was 75% complete and would be completed by a retired master clock maker as part of the unique restoration project.

2. **The Secretary of the Faculty Senate**

Secretary May: I'd like to bring you up to date on news from several of our councils and committees. There are a lot of interesting things going on. AMC is studying our grading system. We're one of the very few universities in the country that uses our system, so that's being studied. APC is taking up the Consumer Studies issue again with renewed vigor. The Athletic Council is considering many futures issues, some of which are in the press. The Gen. Ed. Council is somewhat puzzled as to how to proceed, with or without serious constraints in the offing, but the conversation continues. The Council had set up very lofty goals, but in view of the resource constraints that the campus appears to be laboring under, which may increase, the Council is quite puzzled as to what to do next. Program and Budget Council is conducting a study of the budget over a 6-year period of time which will be coming to some conclusions after spring break. It's also planned a meeting with Vice President Botman concerning the role of the UMass Amherst Campus in the University system. The Research Council is considering the impact of steps towards self-sufficiency in the research area. The Research Library Council has done a wonderful study of the costs of scholarly communication and they will be making that presentation at the next Senate meeting. It made the presentation to the Research Council recently and it will make it here March 29th. The Outreach Council's considering many new projects and has an upcoming meeting with Jack Wilson. The Advancement Council hasn't been meeting lately, and I think in view of the activity in that area and the need to replace Vice Chancellor Hedgepeth, that they really need to get going. And the University Computer and Electronic Communications Committee, which had a motion passed at the last Senate meeting, is considering the mandates from the Board of Higher Education requiring the laptop computer and also a computer literacy requirement which the Board has under consideration across the whole higher education system in Massachusetts. How that might impact the campus is not at all clear, and so we're in conversation on that. The Rules Committee is having a meeting tomorrow concerning the "budget busters" and the delivery of the curriculum; and the University Writing Committee is considering strategies for meeting its mandated budget cuts, which is always an issue for a program like that. And then it's also considering the possibility of asking for 4 credits for writing intensive courses, and an online writing center. So there's a lot going on, a lot more going on in the Senate than appears on the surface of our meetings, even though Mr. Chancellor, there is a short agenda today. I'd like to end with a quote from the recent article in the Washington Post. "Meanwhile in MD, where state funding for public universities has increased 45% since 1995, Governor Parris Glendening has proposed another 14% increase for next year. Legislative analysts have recommended limiting the higher education increase to 10%. Nathan A. Chapman Jr., Chair of the system's Board of Regents, argued that such efforts are vital to developing the state's workforce. 'Every dollar we cut out of higher education is making us less competitive to the business we're trying to attract to the state,' he told the House Appropriations subcommittee."

3. **The Chair of the Rules Committee**

Rules Committee Chair Roland Chilton announced that the Rules Committee and the chairs of all Senate Councils and Committees would be meeting with Vice President Selma Botman March 26, 2001 to discuss the role of the Amherst Campus in the University system.

Senator Chilton then addressed Senator Egan's concern over the all-faculty listserv by reminding senators that any faculty concerns can be brought to Senate Councils and Committees, even if a faculty member is not a senator or a member of the council or committee.

4. **The Faculty Delegate to the Board of Trustees**

Faculty Delegate Brian O'Connor encouraged senators and faculty to volunteer their time to visit with the legislature in support of the budget lobbying effort.

5. The Representative of the Massachusetts Society of Professors

President Jane Giacobbe-Miller announced that M.S.P. jurisdiction has been extended to include Continuing Education and, in effect, Distance Education issues. President Giacobbe-Miller then urged faculty to volunteer to participate in the lobbying effort in Boston March 27th and 28th. Her last announcement was of the M.S.P. General Assembly March 27th at 4:00 p.m. where they will be discussing the M.S.P. budget and upcoming elections.

D. QUESTION PERIOD (10 min.)

Chancellor Scott mentioned that there would not be a search for an interim or permanent Vice Chancellor for University Advancement until a new permanent Chancellor has been appointed since the two must work so closely together. He added that they are working on a transition arrangement for the position in order to sustain the momentum of the current Advancement and Development operation.

The 588th Regular Meeting of the Faculty Senate stood adjourned at 5:03 p.m. March 15, 2001.

Respectfully submitted by Ernest May, Secretary of the Faculty Senate.

The Proceedings of this meeting are available on audio tape at the Faculty Senate Office dated March 15, 2001.