



machine is large enough to store every book in the Library of Congress and is about 400 times faster than a Pentium III desktop computer. It will be dedicated to collaborative scientific computation with the highest priority going toward research that cannot be performed in Nebraska without using this machine.

The computer was funded by a grant from the National Science Foundation, and it positions Nebraska scientists to perform very complex computations and simulations in areas such as product analysis, manufacturing, bioinformatics, crisis management, drought risk management, groundwater movement and remediation, combustion and climate prediction. It will be particularly useful to graduate and undergraduate students

involved in large-scale simulation research.

Installation of the PrairieFire computer is another indication that the University of Nebraska-Lincoln is continuing forward momentum.

Spring is always a time of renewal, both symbolically and literally in Nebraska. Cranes and other migratory birds return to the Platte River Valley, and winter wheat begins to green the fields. After a winter that had its share of ups and downs, I look forward to working with all of UNL's friends and supporters as we continue to build a great university in this new season.

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OFFICE OF THE CHANCELLOR



THE CHANCELLOR'S REPORT

A report to special friends and supporters of the University of Nebraska-Lincoln

March 2002

Dear Friends and Colleagues:

My last conversation with you occurred near the holidays, and much has happened in the three months since then. Foremost, of course, were the deliberations leading to the Feb. 5 announcement of our proposed budget cuts. While budget considerations have dominated our time, be assured we are keeping abreast of issues in several areas.

First, the budget. As you know, the flagging state economy has resulted in significant revenue shortfalls. The bottom line is that UNL is forced to reduce its expenditures next year by \$8.3 million; \$5.5 million required by a special legislative session and an additional \$2.8 million in increased, unavoidable costs such as health care. The additional reduction only increases the pain these mid-term cuts inflict.

As we deliberated on where to begin the process, we kept as our highest priority the preservation of programs that serve students, with an eye toward ensuring that all currently enrolled students remain on track for timely graduation. We also very much want to protect programs that have upward momentum. Thus, several areas were exempted from budget reductions. These included admissions and recruitment; the Honors Program and scholarships; need-based scholarships; an engineering scholarship program; Services for Students with Disabilities; funding for diversity hiring and programming; the University Foundations Program; the Division of General Studies; University Police; and Environmental Health

and Safety. Of course, exempting some items put extra pressure on those that remained. We feel that every program at UNL is of merit. We have no "useless" or marginal programs that are easily dispensed. Every program elimination impedes our ability to serve our publics.

Thus, we have, wherever possible, recommended reorganizations and mergers to streamline operations. The most significant program recommended for elimination is the Teaching and Learning Center. We remain committed to improving teaching on our campus, but we are hopeful that many of the important tasks of this center can be restructured and handled by departments and faculty committees. We also have recommended a smaller percentage increase for faculty and staff salaries next year. This is a particularly difficult recommendation because we were making real progress in meeting the salary averages of peer institutions. That being said, our peers are, for the most part, under the same or even greater budget pressure than we face. We suspect that our peers' salaries will not grow as fast as was predicted, and even with reduced raises, we will still make up some ground.

Our process included hearings before the Academic Planning Committee, which occurred in late February. The committee forwarded recommendations to me, and I have accepted in full or in part their recommendations. Among the most controversial proposed cuts was the elimination of the superintendent of the Trailside Museum located near Fort Robinson.



The committee found arguments that the museum will be forced to close should the superintendent be eliminated to be credible and recommended against this proposal. I have conditionally accepted that recommendation until we are in a position to give reasonable assurance to northwest Nebraska that the museum itself will remain open.

The most difficult part of the process is the elimination of nearly 70 full-time-equivalent positions. Many of those positions are currently unfilled. In the case of faculty lines, this is troubling because it means courses cannot be taught and research will not be pursued. About 15 current employees will have their employment status changed, either by outright elimination of their jobs or by reduction in their job hours.

As difficult as this round of cuts has proven to be, we still may need to reduce the budget further. Following the late-February report of the Economic Forecasting Advisory Board, the Governor proposed an additional 3 percent budget cut for the university, although the Legislature's Appropriations Committee has recommended trimming that to 1 percent. We hope that the Legislature will hold education as a high priority so that additional cuts are minimized.

Good news on campus

Although the budget news is negative, there are many positive points to consider at the university. Some of you may have seen a story in the *Omaha World-Herald* about UNL's position among research universities. The article quoted National Science Foundation data from 1999 that positions us 116th among some 589 research institutions. Vice Chancellor for Research Prem Paul notes that since 2000, total federal research funding

(grants and contracts from federal agencies) has increased by 40.6 percent. In fiscal year 2001, UNL received \$44.6 million in such funding. And total research funding, which includes federal funds and contracts from state, industry and foundations, increased 27.6 percent. The total received in fiscal 2001 was \$62.9 million.

Vice Chancellor Paul points out these examples of competitive federal grants we have attracted since NSF's 2000 figures were compiled:

- \$10.7 million from the National Institutes of Health to establish the Nebraska Center for Virology, which links UNL, the University of Nebraska Medical Center and Creighton University scientists conducting research on infectious diseases affecting people, animals and plants;

- \$4.5 million from the U.S. Department of Education to support the Center for Reading and Behavior, which supports pilot programs for at-risk children at seven Lincoln elementary schools;

- \$2.5 million from the U.S. Department of Agriculture for the North Central Initiative for Small Farm Profitability, which establishes programs to help small farms;

- \$1.8 million from the U.S. Department of Energy for carbon sequestration research in agricultural systems;

- \$1.2 million from the Environmental Protection Agency to develop a lakes quality classification model that will be used in lake protection and restoration work throughout the United States;

- \$950,000 from the U.S. Department of Agriculture for development of a quick, reliable method to identify *E. coli* in feedlot cattle.

Vice Chancellor Paul says that a peculiarity of the NSF ranking system is that universities



report their expenditures in different ways. Some institutions include their medical school expenditures, but UNL does not. If the University of Nebraska Medical Center expenditures were combined with UNL's, Vice Chancellor Paul notes, we would move into the Top 100. Comparing universities based on these rankings, however, is often like comparing apples to oranges.

Research is a driver of the state's economy and creates spin-off companies and jobs. Vice Chancellor Paul notes that 37 Nebraska companies that began through an affiliation with UNL researchers are in existence, including such high-visibility firms as The Gallup Organization (acquired by Selection Research, an early UNL spin-off), Isco, Li-Cor and Senior Technologies. They employ about 2,100 people and have combined annual sales of more than \$300 million.

In addition, new firms such as Geneseek, I2RD, Metallogic and Brabant Research are currently growing at the University of Nebraska's Technology Park.

Ten professors honored

One happy consequence of the growth in research is that we are attracting new faculty to the university. But we are also helping existing faculty develop their potential. Traditionally, the very best faculty have been recognized for their work by holding named or endowed chairs, which carry an additional stipend and also indicate a level of prestige. But our ability to attract endowed professorships has not kept up with the quality of our faculty. Accordingly, last year we created 19 new named faculty positions at UNL with public funds, and late in December we announced the new Cather and Bessey Professorships.

Six Cather Professors and four Bessey

Professors were named: Ruma Banerjee (biochemistry), Peter Dowben (physics and astronomy), Keith Jacobshagen (art and art history), Clinton Jones (veterinary and biomedical sciences), Carole Levin (history), Marjorie Lou (veterinary and biomedical sciences), Svata Louda (biological sciences), Shashi Verma (natural resource sciences), Roger Wiegand (mathematics and statistics) and Xiao Cheng Zeng (chemistry).

I made the selection from a well-qualified field of 38 candidates who were reviewed by the University Professorships Committee, which also reviews applications for the rank of University Professor, the university's highest designation for faculty.

The establishment of the Bessey and Cather professorships is an important element in the university's efforts to retain its top faculty. We're very proud of the 10 new Bessey and Cather professors. All are highly accomplished scholars whose research and creativity carry on in the tradition of Charles Bessey and Willa Cather, two outstanding individuals in the history of the University of Nebraska.

The Bessey and Cather professorships, which will vary in number of appointments from year to year, are open to all full professors (regardless of academic discipline) who do not already hold another named professorship or chair. The appointments are for five years and are renewable upon review. Each includes a \$2,500 annual stipend. Each professor has the option to be either a Bessey or Cather professor.

Getting a computer boost

One final note indicating progress: In mid-January, we completed the installation of the PrairieFire computer, a new supercomputer that experts say ranks about 100th in the world in terms of speed and computing ability. This