

EXECUTIVE COMMITTEE MINUTES

Present: Fech, Flowers, Franti, Konecky, LaCost, Lindquist, Prochaska-Cue, Rapkin, Shea

Absent: Bolin, McCollough, Schubert, Stock

Date: Wednesday, April 14, 2010

Location: 201 Canfield Administration

Note: These are not verbatim minutes. They are a summary of the discussions at the Executive Committee meeting as corrected by those participating.

1.0 Call to Order

Fech called the meeting to order at 3:00 p.m.

2.0 Chancellor Perlman/Interim SVCAA Weissinger

2.1 Latest Budget News

Chancellor Perlman reported that he will be announcing the remaining budget cuts for this year on Wednesday, April 21. He stated that there are a mixture of reductions and some people might be puzzled as they look at the list. He noted that there are a couple of cuts that seem like major changes within the university, but they don't make much of a revenue cut. He noted that these changes are being made in order to position us for subsequent cost savings later on. He stated that it will seem like a lot of rearranging, but when viewed in the long term there is the potential for very significant savings.

Chancellor Perlman stated that the new cuts will still leave us with the need to cut approximately \$4.5 million which is equal to the salary increase projected for next year. He noted it appears the campus will have a decision to make about whether to take a salary increase and, if so, to what extent. He pointed out that he will be having conversations about this with the Executive Committee, but not until June after the Board of Regents has met.

Chancellor Perlman presented a slideshow regarding the university's future budget situation. He stated that it is important to understand the budget development calendar for the system. He noted that the June 11, Board of Regents meeting is key because the Board has to approve the 2010-11 budget and get the 2011-13 biennium budget request to the legislature.

Chancellor Perlman stated that in October the State Forecasting Board reported reduced revenue which produced a \$334 shortfall and in a special session the legislature adjusted state appropriations. In February an additional shortfall was reported but the university was not implicated by these reductions.

Chancellor Perlman reported that state appropriations for the university system are down 3.4% but there is some protection for education through stimulus funds. He noted that permanent reductions were made to the budget and 56 positions were lost.

Chancellor Perlman stated that the budget for the next biennium includes a predicted 5% increase in overall health insurance and an increase of 8% in utilities. He pointed out that tuition increases and salary figures cannot be predicted at this time. He reported that tuition increases around the country range from a 7% increase for Ohio State to a 20% increase for the University of Arizona.

Chancellor Perlman reported that the prediction for the 2011-13 biennium budget is that revenue will fall considerably short of what is needed. He stated that a \$670 million shortfall is predicted for the next biennium and that is based on the assumption that there will be a 7.2% increase in revenue for the state. If the 7.2% increase does not occur, there could be a billion dollar shortfall for the state. He pointed out that there is only \$322 million left in the cash reserve.

Chancellor Perlman stated that if there is a billion dollar shortfall there could be a 15% reduction in all state agencies and the university has a tendency to get a higher decrease in its state appropriations than other agencies. He stated that we could be looking at some really ugly times in the next biennium, although tuition increases and any potential tax increase have not been figured into the projected budget. He pointed out that these kinds of difficulties will be shared by states across the country.

Chancellor Perlman reported that the legislature has directed a resolution from the Appropriations Committee to have each of the legislative committees consider cuts that can be made to agencies in apprehension of the next biennium. He stated that the legislature has also adopted LB 935 which calls all state agencies to develop an agency efficiency review plan for 2010-11 and 2011-12. He pointed out that this does include the university.

Chancellor Perlman stated that he believes we can make the case that we are reasonably efficient, but this does give us a chance to think of how we can do more things within the university. He stated that more than likely a committee will be formed to work on an efficiency plan.

Chancellor Perlman noted that LB 935 calls for structural and operational changes to be considered to state agencies for possibly moving to a four-day work week. He stated that he does not think a four-day work week is efficient for the university because of the number of classes that need to be taught. Franti pointed out that another option is to have a six hour work day rather than going to a four-day work week. Chancellor Perlman noted that many labs could not be run on a four-day work week. He stated that this could be an opportunity to explain the university and how it works, as well as an opportunity to become more efficient. Franti stated that it would be a perfect opportunity to educate people about the university and how its needs are so dramatically different.

Chancellor Perlman stated that there is a document on efficiency that has been used before so we wouldn't be starting from scratch. He noted that the timing is not good because of the approaching summer when many people will be gone. He stated that he does not think an efficiency plan can be done by September 1, but we have to get started.

Schubert asked if F & A funds from research can be used to help compensate the budget. Chancellor Perlman stated that this would be like moving funds from athletics. If you take too much they become less successful and that is self-defeating. F & A is crucial to sustain and grow our research enterprise. He pointed out that research is a high priority and he won't do anything to damage it. He stated that he did not think it would be a wise policy to divert more of these funds.

Fech asked if the idea is to keep all units equally cut. Chancellor Perlman said no, that vertical decisions will be made and they won't be pleasant. He reported that there will be no termination of tenure or tenure track faculty members in the announcement of cuts that he will make on April 21.

Fech asked if there will be another announcement after April 21. Chancellor Perlman stated that there won't be another announcement because we will be close to the amount needed for our portion of this year's budget cuts.

2.2 Update on Search for VC of IANR

Chancellor Perlman reported that on April 19 an announcement will be made listing the names of the four candidates for VC of IANR. He stated that on campus interviews will occur at the end of April and through mid May. He noted that this is not the ideal time but it was the only time that would work for the candidates. He stated that the candidates will have an intense interview schedule. He reported that these are four very interesting and very good candidates and he is positive about what the search committee has done.

Fech thanked the Chancellor for including the Research & Extension Centers in the interview process. He stated that this gives the Centers the opportunity to show the work that they do. Chancellor Perlman agreed and stated that it also allows people from other parts of the state to be involved in the interviewing process.

2.3 Update on Search Committee for SVCAA

Chancellor Perlman reported that the search committee is nearly complete but he is waiting to get acceptances from some outside people. He stated that the committee will be announced in the next few days. He noted that Interim SVCAA Weissinger will be chair of the committee. He pointed out that the real work of the search will begin in the fall. He stated that the faculty members were chosen from the list provided by the Senate Executive Committee and have all accepted to serve on the search committee.

2.4 Disseminating Health Care Benefits to Campus and the University-wide Benefits Committee

Fech reported that Varner Hall is having the University-wide Benefits Committee meet with the representatives from each of the campuses separately for some additional

training. He stated that the UNL representatives met on Monday. He noted that there was quite a bit of talk about having a standard set of minutes sent out to the committee members ten days after a meeting so decisions can be made before the next meeting. He pointed out that this is not occurring now.

Fech stated that there is some concern that administrators are not explaining the logic that is being used in how decisions on health care benefits have been made. He stated that preventive health care does not seem to be of interest to the administrators, yet it would be more cost effective in the long run.

Fech stated that it would be nice to have a study on the importance of providing people with a wellness benefit, particularly when a raise is not being provided. He wondered what the net worth is in preventing health problems for employees who have a wellness benefit. Chancellor Perlman stated that the private sector experience with wellness programs clearly shows that it is cost effective. He stated that the university has taken a small step forward with having the recent health survey. He stated that the University Wellness Committee has been generally opposed to financial incentives for a wellness program, but the history of this needs to be looked at before trying to push for this.

Chancellor Perlman noted that people involved in a wellness program would need to get a base line health report which requires them going to a physician and agreeing to take certain steps relative to your condition. The results could be a lower price in health insurance. He pointed out that only certain amount of things can be done with a wellness program.

Konecky suggested that something like a health reimbursement account could be created. She pointed out that a participant would have to provide documentation that they are enrolled in efforts to improve their health. Chancellor Perlman stated that this could possibly be done through premium rates for health insurance.

Fech stated that the Chancellor had mentioned that there used to be long-term UNL representatives to the University-wide Benefits Committee and private sector training for the members of that committee. He noted that Keith Dietze, Director of University Wide Benefits, does a short training for members, but it would be nice to have some additional training for the representatives that included a private sector perspective and options.

Chancellor Perlman stated that he is not sure what is being done now with the representatives, but in the past there were two or three faculty members involved with the Committee who were knowledgeable about benefits. He stated that Professor Works, Law, and Professor Adams, University Libraries had served for years on the Committee, but at one point the Senate thought this should be changed so that the chair of the Employee Benefits Committee was the representative. He pointed out that benefits can be a difficult area to fully comprehend if a person does not have the training. He suggested that the Senate might want to reconsider the term length for representatives to the University-wide Committee.

2.5 Upcoming Issues

Chancellor Perlman noted that the Committee was familiar with the recent Academic Rights & Responsibilities Case where a faculty member stopped teaching his courses during the semester. He stated that he declined to pay the professor's salary during this time because the professor was not teaching the classes he was assigned. He noted that the Board of Regents approved the administrative decision to deny payment. He pointed out that this kind of thing could lead to abuse by people in the Chancellor's position. He stated that he thinks the Senate should consider a process that could be used to provide some checks on a situation like this. He pointed out that the Board's policy and state law say that a person may not be paid if someone is not doing his assigned work. He indicated it would be useful to have some faculty input into such a decision, but it would have to be done expeditiously.

Chancellor Perlman stated that if a new process is created for dealing with these kinds of cases it has to be a quick process, similar to that of suspending a faculty member. He suggested that the Committee or the ARRC might want to think about this.

Franti stated that there is no contract that states that someone has to teach specific courses. Chancellor Perlman pointed out that there is a contract of apportionment of duties and in this case the professor's workload was 50% teaching which he agreed to do. He stated that there is a potential for more difficult cases and this is a concern. He suggested that the Committee put this issue on the agenda to be worked on.

Lindquist stated that he received a letter from the English department concerning domestic partner benefits. He noted that most faculty members would support domestic partner benefits, and he wondered what the Senate could do to facilitate a real change in policy.

Chancellor Perlman stated that he is not sure what the Senate could do, but he will continue to publicly support domestic partner benefits and look for ways to implement them whenever possible. He stated that it is his understanding that the sister campuses' Faculty Senate will speak publicly about the issue.

Lindquist asked if the Senate can discuss this issue and what would be the best way to institute a change. Chancellor Perlman stated that an effective argument is that our peer institutions provide the benefit and it puts us at a competitive disadvantage in recruiting faculty members.

Interim SVCAA Weissinger noted that there has been a lot of discussion on Maple TA, the web teaching assessment tool. She stated that she became aware of it because some people were saying that the campus will not support it. She stated that the truth is that no one has asked her office or Dean Mandersheid about whether it would continue to be supported. She pointed out that we just recently agreed to another year long contract with Maple TA and we are not in crisis mode with the program.

Flowers stated that the Computational Services and Facilities Committee (CSFC) put forth a resolution in their report to the Senate about Maple TA and exploring alternatives to promote online testing abilities since it is a component that the university is no longer providing. Konecky noted that the resolution was in the report but not verbally presented to the Senate.

Fech stated that the latest he has heard is that the CSFC was going to pull both resolutions that were in the report.

Chancellor Perlman reported that the Academic Planning Committee has approved all of the budget cuts he recommended earlier.

3.0 Announcements

3.1 Student Money Management Center

Prochaska-Cue stated that there will be a session for graduating students to help them in choosing employee benefits. She noted that the Center is thinking about doing this during finals week since many seniors don't have finals. She stated that publicity should be out soon. She noted that there was a financial quiz bowl with eight teams participating. She reported that the quiz generated quite a bit of discussion and a team did win and received gift certificates as a prize.

4.0 Minutes of 4/7/10

No major changes were made to the minutes.

5.0 Unfinished Business

5.1 Computational Services and Facilities Committee Resolutions

Lindquist noted that the CSFC has pulled the resolutions and are reconsidering them but when he read them it sounds like this is the work that the CSFC should be doing. He stated that perhaps the CSFC should create a subcommittee to do the work that was suggested in the resolutions. Flowers agreed.

Fech stated that he will discuss this with Professor Allison, chair of the CSFC.

5.2 Senate Elections

Fech noted that one of the candidates for the Executive Committee has withdrawn from the election. The Committee discussed other possible candidates.

6.0 New Business

6.1 APC Feedback

Fech reported that he received feedback from Professor Eckhardt, the Senate representative to the APC, regarding some APC members having concern that the proposed procedures for budget reductions allows the UAAD and UNOPA representative to vote on other APC matters during Phases I, II, and III of the budget cutting procedures. Prochaska-Cue stated that the footnote in the procedures states that they are only voting during Phases I, II, and III on the budget cuts. Griffin reported that in conversation with

UAAD representatives she was told that the UNOPA and UAAD representatives have no desire to be involved with APC's other work.

Fech stated that Professor Bender, chair of APC, stated that the APC has discussed adding two more faculty members to the committee. He noted that faculty members have been added to the APC in past years as faculty numbers have grown. He reported that incoming Associate to the Chancellor Nunez is supportive of the addition.

The meeting was adjourned at 5:00 p.m. The next meeting of the Executive Committee will be on Wednesday, April 21 at 3:00 pm. The meeting will be held in the Faculty Senate Office, 420 University Terrace. The minutes are respectfully submitted by Karen Griffin, Coordinator and David Rapkin, Secretary.