

EXECUTIVE COMMITTEE MINUTES

Present: Anaya, Flowers, Konecky, LaCost, Lindquist, McCollough, Nickerson, Schubert, Shea, Stock

Absent: Berg, Fech, Franti

Date: Wednesday, January 26, 2011

Location: 201 Canfield Administration Building

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

Lindquist called the meeting to order at 3:01 p.m.

2.0 Vice Chancellor Jackson

2.1 Administrative Task Work for Faculty

Lindquist reported that the Executive Committee received input from various faculty members concerning tasks that are taking up more and more of their time. These tasks are administrative tasks that are not directly related to teaching and research work. He noted that some of the additional work might be a result of external forces such as federal regulations, but some might be university requirements.

VC Jackson stated that we are globally challenged by increasing federal and state regulations and the university has its own policies and requirements. She stated that these policies and requirements are sometimes developed in consultation with the campuses. She stated that it is fair to say that some of the challenges particularly relate to travel and some of the changes with travel reimbursements have been more onerous. For instance, there is a new state law that requires a receipt for any item over \$5 that is claimed on a reimbursement form. She noted that previously the requirement for a receipt was for any purchases over \$25.

Lindquist asked if any study has been done to determine the costs with implementing this new law. VC Jackson stated that the university has not conducted a study, but the university is aware that the new law requires an increase in the workload. She pointed out that most universities have a per diem travel expense rate.

VC Jackson reported that during every legislative session approximately 500-1900 bills get introduced. Some of these impact the university while others do not. She stated that the university has to decide which of these bills it needs to support or provide additional information regarding the impact of the bill being proposed. She pointed out that the budget has been a major issue for the university for a number of years now and the university has chosen to focus its attention on the budget rather than lesser bills, such as the one requiring receipts on all purchases of \$5.

VC Jackson stated that another state law that was changed is the requirement that all travel reimbursements must be processed within 60 days following each trip. She noted that few employees have not been reimbursed for their travel expenses, but it is a state law and the university must comply.

VC Jackson stated that a third requirement in regards to travel comes from an internal audit. This requirement is that non-English receipts need to be translated. She admitted this is a growing problem because faculty members are doing more international travel and receipts are not always available.

VC Jackson stated that she is aware of the challenges of filing for travel reimbursement, but we have to adhere to state laws and audit requirements. She stated that her office is trying to find a balance and to educate everyone on campus of any changes requirements that are made. She stated that she welcomes any suggestions anyone might have on ways to improve communications. She noted that business process changes are communicated to the deans, department chairs, and business center. Information is also put out on UNL Today.

VC Jackson stated that some leeway is being given as people learn about the regulations. She noted that if someone has a sizable reimbursement and only one receipt cannot be located, the Accounting Office will try not to hinder the processing of the reimbursement. She pointed out that all of the travel reimbursements are going through one travel clerk in the Accounting Office.

VC Jackson reported that travel reimbursements are checked at both the department level and in the Accounting Office to make sure there are no problems. She noted that UNL has determined that it will review all reimbursements and the accompanying receipts before it goes to the state for processing. She stated that this is being done so the university can establish a record of accuracy. She noted that it is better customer service to have issues challenged internally than to go to the state for processing.

VC Jackson stated that some of the travel examples the Executive Committee provided to her were surprising and caused her and her staff to ask if we are doing things correctly. She noted that one requirement is that employees have to take the cheapest means of transportation when traveling. She pointed out that this could be a challenge in some cases. She stated that if a faculty member is traveling alone it usually isn't a problem, but if someone is traveling with students or needs to bring sensitive equipment, it's not so easy to fly. She stated that her office is trying to determine how to better compare the cost of flying versus driving. She noted that the rule is that the university won't pay for meals or lodging incurred in traveling to a destination if the person chooses to drive. However, she pointed out that if several people are going and it would cost each person \$600 to fly, it may be more economical to let these people drive together and share lodging as long as the costs are below the cost of the airfare.

Lindquist stated that the rules are clear yet faculty members are often queried about whether they are choosing the least expensive means of transportation. He asked why the faculty member isn't trusted to select the best means of transportation for the trip.

VC Jackson stated that the current travel requisition forms don't give the benefit of the doubt to employees. She stated that this is another area that she will review. She pointed out that if more complete information is obtained at the front end of the travel process there wouldn't be a hold up on the back end of the process. She noted that no one travel event is the same, especially when students are being taken on a trip. She stated that travel regulations have to be thought of more broadly.

Shea asked how giving the benefit of the doubt will be handled. VC Jackson stated that Accounting Services is looking at adding a line on the travel requisition form that would ask for an explanation of why the employee decided to drive or fly. Shea asked when this would be implemented. VC Jackson stated that hopefully this change will occur next month. She pointed out that the form needs to be updated and the campus educated on it before it can be regularly used.

Shea asked whose requirement it is that employees have to find the cheapest way to travel. VC Jackson reported that this is a state accounting requirement.

Shea noted that there is strong pressure for employees to use Travel & Transport when making travel arrangements but they often do not provide the cheapest travel option. He pointed out that often employees can find cheaper rates.

VC Jackson stated that the Travel & Transport contract has been a source of campus consternation for some time. She stated that the history of the contract is that in the past many universities created a contract with one travel agent who could negotiate with an airline to get reduced rates. She pointed out that this was done before the internet was so heavily used.

VC Jackson reported that the university has a high turnover of airline tickets because trips often get cancelled for a variety of reasons. She pointed out that Travel & Transport has the ability to rebook these tickets.

VC Jackson stated that the other benefit to the Travel & Transport contract is the 800 help number. If a traveler's flight is cancelled the person can call the 800 help number to get Travel & Transport to find them the needed flights. She noted that this kind of problem happens frequently with complicated international travel.

Shea pointed out that people who travel frequently are usually the ones affected by flight changes. He stated that there are still many employees who travel less frequently yet they are still required to use Travel & Transport even though the individual may have found a cheaper flight on line. He noted that money for travel often comes out of a faculty member's research funding.

Anaya stated that in her department if people use their own credit card to purchase airline tickets for less money than Travel & Transport they are told to go ahead and do so. She asked if this was just something that can be done in the University Libraries or can other departments do this as well. VC Jackson stated that anyone can do it. She reported that if an employee submits an Airfare Situation Report, Travel & Transport will go ahead and approve the purchase of an airline ticket elsewhere if they cannot match the price. She noted that people using their own credit card will not be reimbursed until after they return from a trip.

Shea asked if the university gets money back from the Travel & Transport contract. VC Jackson stated that no money comes back to the university. She noted that there is a fee charged to every ticket purchased through Travel & Transport and this fee helps to offset the cost of managing the Travel & Transport Contract.

Nickerson stated that one of the concerns with the travel issue is about preserving faculty time. He stated that when faculty members were queried about what administrative tasks are taking up a lot of their time the majority of the examples were about travel. He stated that preserving faculty time to be creative and to do research is an issue that needs to be addressed. He stated that he hopes when a cost analysis benefit is done that faculty time is considered as an important aspect. He pointed out that other things can be looked at such as filing out the regulations on safety forms. An example is proving the safety of an organism in a lab. The problem is that a faculty member might have up to 300 organisms and completing a form for each organism would be daunting. He encouraged the VC to find out what really impacts faculty time.

Nickerson noted that the campus is going in the direction of being paperless and he understands the cost savings of not printing the campus Centrex, but there are some things on line that require printing. He pointed out that the cost of the printing is now put on the departments and each department has budget constraints. He requested that the upper administration take this under consideration when making budget cuts.

Nickerson stated that he hoped educating people about changes in travel requirements includes educating the state auditor as well. He pointed out that every time more accountability measures are required from faculty members, the less productive they become in doing the work they have been hired to do. He stated that he would feel better if the university was trying to educate legislators and others on the consequences of some of the state regulations that are being developed. VC Jackson stated that the university does understand the additional workload that the regulations put on people and agreed that it is a challenge to keep up with these regulations.

VC Jackson stated that she hopes that input can be gained from the deans and college officers about what faculty members are feeling when new regulations are put upon us. If not, she stated that there needs to be better communication with the faculty. She stated that she is interested in learning how to improve feedback from the faculty. She noted that her office could also do a better job at communicating why these regulations have to be adhered to.

Shea suggested that when a policy is being developed that will have direct impact on the faculty it might be beneficial to speak to the Senate Executive Committee to get input from the faculty. He suggested that the Executive Committee could be a conduit to the faculty for her office. VC Jackson stated that this is a good idea and something she would like to do.

McCullough pointed out that for some people, flying is simply not an option. For instance, taking students out to conduct a field school in Archaeology requires traveling by a van because the location is not accessible by air and large amounts of equipment are needed. She noted that the length of the trip can also require meals and lodging. VC Jackson stated that in these kinds of situations faculty members will be reimbursed for lodging and meals when traveling.

McCullough asked if the auditor's rule regarding translating receipts can be changed. VC Jackson stated that the university questioned this requirement because not everyone goes to places where receipts are printed. She suggested that when someone does get a receipt while in another country that they jot down a note of what was purchased. She pointed out that the challenge for the auditor is the item purchased is unidentifiable if the receipt is in a different language. She noted that the accounting office is trying to be sensitive and lenient to cases where all other receipts are provided but perhaps one or two are not available. However, if someone continually does not provide receipts, the accounting office may not be so lenient.

Shea asked if any abuses were found when the university's audit was conducted. VC Jackson stated that there were no cases of someone blatantly trying to commit fraud, but there were some issues regarding why purchases were made. Shea asked if the main problem identified had to do with people complying with the rules and regulations. VC Jackson stated that this is correct.

LaCost pointed out that sometimes the problem is not with the accounting office, it's with the people in the business center. VC Jackson stated that travel training is available for both the people who travel and the business office personnel who process the reimbursement. She noted that there are some people who are very diligent about the reimbursement forms and others who are not.

LaCost asked if the requirement of providing a receipt for any purchases of \$5 or more is just for the university. She noted that a corporation involved with the Haymarket Arena does not have to adhere to this regulation. VC Jackson stated that the requirement is for state agencies and the university. She pointed out that the Haymarket arena project is not a state contract.

Schubert stated that on a recent trip with other professors there was a discussion about the difficulty faculty members have in renting cars and that it seems as if the university does not want faculty members to rent cars. He noted that if students are going on the trip there is even more paperwork that must be completed. He pointed out that renting a

vehicle from a car rental company does not involve as much work. He stated that another complaint raised in the discussion is that the university's car rental program cannot guarantee that the faculty member will get the vehicle they need.

Schubert stated that recently his driver's license was about to expire and instead of contacting him several days before his trip to remind him of the expiration, Travel & Transportation contacted his department chair. He asked why he wasn't contacted instead.

VC Jackson reported that there is required training for people to rent a van because driving a van is a different experience than driving a car. She noted that there used to be 15 passenger vans but due to a high volume of crashes with these vehicles they were declared unsafe and are no longer being manufactured. She stated that the National Safety Transportation Board requested that any institution that still uses these vans remove the back seats to help make the vans safer. She stated that the university is able to obtain lower insurance rates by requiring people to take training to drive the vans.

VC Jackson stated that she does not know why people wouldn't be able to guarantee a van but she will check this out. She noted that student drivers must obtain the required documentation in order to drive a university vehicle and no one under the age of 25 is allowed to drive a vehicle.

Schubert stated that it is his understanding that everyone who drives a university vehicle must be registered to drive the vehicle. Chancellor Perlman pointed out that the same thing must be done if using an outside car rental company.

VC Jackson stated that in regards to the expired driver's license, Transportation Services saw this reminder as for the employee that their driver's license is expiring. She agreed that the message should not have been sent to the department chair. She noted that the university has to ensure that people have a valid driver's license when renting a university vehicle and it helps to reduce insurance rates when this is done.

Anaya asked if a graduate student with an out-of-state driver's license can drive a university vehicle. VC Jackson stated that as long as they have a valid driver's license and complete the necessary requirements they can drive a university vehicle.

VC Jackson distributed a written response to the questions raised by the Executive Committee which she hopes will help clarify some of the issues. She noted that changes in requirements continue to be a learning event. She stated that she will take advantage of the Executive Committee's offer to come and speak to them to obtain feedback. She stated that she hopes faculty members will send her an email if there are some problems that need to be resolved and she and her staff are trying to be sensitive to the issues that were raised.

3.0 Chancellor Perlman

3.1 Budget

Chancellor Perlman noted that we are early in the budget process and that all we have at this point is the Governor's recommendation. He stated that currently President Milliken and others are committed to having some kind of salary increase this year. He noted that there were conversations of giving the university a 10% budget reduction which would result in a system-wide shortfall of \$73 million and UNL typically receives half of the shortfall. He stated that if the Governor's recommendation of keeping the university budget flat is kept and if there is a tuition increase of no higher than 6%, this would result in a \$17 million shortfall for the university system. He stated that the most optimistic view would be a \$14 million shortfall system wide which would result in a \$7 million cut for UNL. He stated that the Governor's budget is probably the best case scenario for the university and some reductions on the campus will need to be made if salary increases are given.

Chancellor Perlman reported that the academic leadership is continuing to look at ways to reduce budgets and he has had budget meetings with each of the deans. He stated that he is uncomfortable with some of the cuts being considered and he is inclined to think we will do vertical cuts this year.

Chancellor Perlman reported that the Governor has recommended one-time funding of \$25 million for Innovation Campus. He noted that the thought is that \$10 million will be used for renovating the 4-H building although this will cover only half of the total costs. He stated that he hopes the remaining funds needed to renovate the building will come from private developers. The remaining \$15 million will be used to leverage philanthropic gifts to build a life sciences research facility.

Chancellor Perlman stated that there is a Governor's recommendation of a budget item of \$8 million for a virtual STEM high school which initially was part of the race to the top education initiative, but this did not get funded by the federal government. He noted that there are efforts by some educational interest groups to get these funds instead of the university.

McCollough asked why UNL's budget cut is so much higher when UNO has been providing higher salary increases. Chancellor Perlman stated that the budget cuts are based on UNL's percentage of the university's budget. He pointed out that each campus has to supply its own money for any salary increases given.

Nickerson asked when the new building on Innovation Campus will be available. Chancellor Perlman stated that if the legislature provides the \$25 million and other funds are raised, it could possibly be completed in three years.

Lindquist asked if savings from VSIP will be used for adjusting the salaries of some faculty members or to replace faculty members. Chancellor Perlman stated that this has not been fully decided yet and the size of the budget cut will be a factor. He stated that he would like to be in a position to use those resources to make investments in university

priorities if possible. He stated that there have been conversations about how to deal with the lines that will become vacant. He pointed out that our normal policy is that in academic affairs the difference between the departing faculty member's salary and a starting salary is retained by Academic Affairs. In IANR the entire line is retained by the VC of IANR.

Chancellor Perlman wanted to discuss UNL's core priorities. He noted that undergraduate education has seen ten years of successful growth in enrollment and our graduation rates and the ATC scores of incoming students continues to increase. He stated that federal research funding has increased. He pointed out that if it were not for these improvements in our core priorities, we would not have been invited to join the Big Ten. He noted that the faculty needs to be congratulated for these improvements.

Chancellor Perlman stated that on the academic side of the institution we will now be in competition and collaboration with some of the leading land grant institutions in the country. He pointed out that we are the smallest school other than Northwestern. McCollough pointed out that we have a much smaller population base in the state than most of the other schools in the Big Ten. Chancellor Perlman agreed and noted that we have some obligations and limitations that will cause us to have to compete smarter.

Anaya asked how our graduation rates compare. Chancellor Perlman stated that the U.S. News Ranking puts us at the bottom of the Big Ten, but he considers this to be a reputational type of survey. He pointed out that our tuition rates are at the bottom of the Big Ten. He stated that the good news about this is that there are a lot of good students in the Big Ten states who want to go to a Big Ten school and can't afford the more expensive schools. The bad news is that less tuition gives us less money to work with.

Chancellor Perlman stated that in terms of growth rate in federal research expenditures we are second in the Big Ten, but in terms of the actual amount we receive we are the smallest. However, all of the other schools, except Purdue, include their medical school in these figures. He stated that we are making gains but we do have some challenges.

Nickerson stated that he saw that members of the CIC are visiting the campus on March 1. He asked if a schedule has been set up for faculty members to meet with the CIC team. Chancellor Perlman stated that the schedule has not been created yet but there will be campus wide opportunity to interact with the team members of CIC who are coming to campus. He stated that he wants to make sure that the campus has interaction with the CIC members. Nickerson pointed out that there is a subcommittee of Executive Committee and APC members that are working on having campus-wide faculty discussion on a faculty driven future and having one of the CIC members speaking would work in nicely with this effort. Chancellor Perlman stated that this was a good idea.

3.2 Consultant to Look at Transfer Process and Graduation Rates

Chancellor Perlman reported that the President of the university retained an amount from the tuition increase for one-time projects this year and a small amount has been used to hire a consultant, Nowell Levitz, who was the consultant who worked on recruiting. He

stated that he wants the consultant to explore two items: transfer students and the transfer process, and graduation rates. He stated that he has been told that we are not a transfer friendly institution yet we have a fair number of students who transfer to us.

Chancellor Perlman stated that he wants the consultant to look at what we do and to look at the best practices at other institutions. He noted that our graduation rates are well below the Big Ten average and below our peers and these rates have constantly been that way. He pointed out that our trajectory is good but it is still low. He stated that he understands all of the factors that we have little control over that contribute to the lower graduation rates, but he wants to make sure that we are addressing the things we do have control over. He reported that we have a four year graduation rate of just 29%, but the cost of higher education and students participating in study abroad programs make it difficult for a student to complete their degree in four years. He reported that the six year graduation rate is about the same as our current peers.

Chancellor Perlman pointed out that we have been making progress in the graduation rates. He noted that a 120 credit hour limit is being considered, although waivers for specific programs would be provided. He stated that other institutions that have imposed a credit hour limit have actually grown in revenue. He noted that this change will require some curriculum reform and there needs to be discussion by discipline and majors but it should positively impact time to degree.

McCollough reported that she is hearing from colleagues across the country that graduating in four years is becoming rarer. Chancellor Perlman stated that the graduation rates at other schools are in the 30% range. He stated that he thinks there are things we can do to improve our graduation rates. He noted that he has heard that many incoming student advisors are telling students to take less than 15 credit hours in their first year on campus so they can become accustomed to being on campus. He stated that he is not sure if this is good advice.

3.3 One Time Funding for Teaching Initiatives

Chancellor Perlman noted that the Board of Regents increased tuition rates by 6% last year and 2% of the tuition funds was held in reserve for budget cuts. As a result there is some money this year for one time expenditures. He noted that he had to apply to the President for these funds and he has \$1 ½ million to distribute. He stated that he is inclined to put the funds towards efforts that are student oriented and will help increase revenue. He stated that about \$250,000 will be allocated to teaching innovations that would help increase teaching capacities such as ideas of doing on-line courses or on-line life sciences labs.

Chancellor Perlman stated that there will be some funds available for classroom renovation. He noted that the chemistry teaching labs are in dire need of renovation. He stated that any remaining money will be used for energy saving efforts that will result in reduced energy costs for us.

Nickerson noted that one of the candidates for the SVCAA position talked about designing a building that would just have large classrooms in it. He stated that while this might be seen as controversial, it is very cost effective. He asked if UNL has considered this. Chancellor Perlman stated that the campus has considered this and hired a consultant about four or five years ago who suggested this kind of building. He stated that a classroom building is listed on the capital construction list and it is one of the campus' priorities. He noted that the Grand Theater downtown is being rented for several large classes. He pointed out that one of the problems with constructing this kind of building is where to put it.

Konecky asked what space would be considered for building on campus. Chancellor Perlman stated that the green space north of the Kaufman Center would be a consideration. He pointed out that the campus is land poor.

McCullough wondered whether another parking lot will be used for a building. She stated that the campus should start providing remote parking spaces. Chancellor Perlman stated that remote parking is available but no one uses it. McCullough stated that people might use it more if classrooms are put on Innovation Campus.

3.4 Health Insurance Audit

Chancellor Perlman stated that the health care audit will begin on February 1. He pointed out that we have a self-contained insurance plan and many universities around the country are conducting a dependent eligibility audit. He noted that the experience at many of these institutions is that they have saved a significant amount of money. He pointed out that the decision to conduct the audit was made by Central Administration. He stated that everyone will receive an email next week explaining the audit. He stated that the audit will require the employee to produce a copy of the documentation showing that the person is a legitimate dependent. He understands that the employee will need to send a copy of the documentation to the company that is conducting the audit. He stated that if people do not comply with the audit the dependent will automatically be taken off the health plan.

Chancellor Perlman stated that the company conducting the audit claims that the university could save up significant funds although he thinks this is unlikely. He noted that people will probably be annoyed because of the general bureaucracy of the audit but it is something that must be complied with. If the result is that we don't save much money, it will be good publicity how honest our employees are. If we do save money it will help protect academic programs. He pointed out that there will be some instances that will be a problem, such as people on leave who are out of the state or country and cannot get access to the documentation. Also, there may be some difficulties with international faculty members who have documents from other countries. He stated that the company involved has worked with a number of other academic institutions and are aware of the possible difficulties.

Nickerson stated that Greg Clayton, Director of Benefits & Risk Management, told the Executive Committee about the upcoming audit. He asked if there will be some

flexibility on how a person can prove that someone is their dependent. Chancellor Perlman stated that everyone will get an email notice about the audit and those with dependents will receive a letter at home providing more information on what documentation is required. He noted that any new hires will have to provide this information.

3.5 Response to Request to Expand APC

Lindquist asked the Chancellor if he was waiting to hear from ASUN on expanding the APC. The Chancellor stated that he is waiting on ASUN. Lindquist asked that the Chancellor let the Executive Committee know as soon as possible after ASUN has responded so the Committee can act appropriately on the decision.

4.0 Announcements

No announcements were made.

5.0 Minutes of 1/19/11

The minutes of 1/19/11 were approved with revisions.

6.0 Unfinished Business

6.1 BRRRC Procedures Status

Lindquist reported that he checked the January 26 APC agenda and saw that the BRRRC procedures were not on the agenda and after checking learned that the chair of the APC pulled it from the agenda. He asked what the Executive Committee wanted to do about this, if anything.

Shea stated that the Executive Committee is trying to be accommodating and not confrontation but he questioned what all of the delay is about. He stated that the Executive Committee should be asking for an explanation of the delay.

Lindquist pointed out that any significant changes to the document made by APC will need to be voted on again by the Senate and ASUN. He stated that if the procedures are presented at the February Senate meeting they won't be voted on until March. Shea stated that Professor Brand, Chair of the APC, told the Senate that the procedures would be voted on in December and now it is looking like they won't be voted on until February at the earliest.

Anaya asked what the Senate could do. Lindquist stated that we could wait until the APC finally finishes and approves the procedures or we could forward the document approved by the Senate and ASUN last April to the Chancellor. He stated that he would evaluate the Bylaws to see what our options are.

Schubert suggested inviting members of the APC to the Executive Committee to discuss the issue. Lindquist pointed out that the APC was invited to a meeting this fall to discuss the procedures.

6.2 Policy on Cancelling Senate Meetings

Item postponed due to lack of time.

7.0 New Business

7.1 February 2 Executive Committee Meeting

Lindquist noted that next week prior to the regularly scheduled Executive Committee meeting the Committee will be interviewing Interim SVCAA Weissinger. He pointed out that after the meeting Interim SVCAA Weissinger will be giving her presentation to the campus and he asked the Committee if next week's meeting should be cancelled so the Executive Committee members could attend the presentation. The Committee agreed to attend the presentation in lieu of a regular Executive Committee meeting.

The meeting was adjourned at 5:08 p.m. The next meeting of the Executive Committee will be on Wednesday, February 9, 2011 at 3:00 pm. The meeting will be held in the Faculty Senate Office. The minutes are respectfully submitted by Karen Griffin, Coordinator and Pat Shea, Secretary.