Members Present:

Members Absent:
Robin Baker, Jeff Erger, Susan Harrison, Ann Hoffman, Larry Honl, Robert Hooper, Sue Moore, Tarique Niazi, Mehdi Sheikholeslami, Troy Terhark, Sharon Westphal, Rebecca Wurzer

Guests:
Mary Jane Brukardt, Margaret Cassidy, Don Christian, Bernard Duyfhuizen, Chip Eckardt, Deborah Gough, Stephanie Jamelske, Carmen Manning, Andy Nelson, Andrew Phillips, Kathy Sahlhoff, Andrew Soll, Robert Sutton, Aaron Wingad

The regular meeting of University Senate was called to order by Chair Wood at 3:07 p.m. on Tuesday, December 11, 2007 in the Tamarack Room of Davies Center.

I. Minutes of November 27, 2007 University Senate meeting approved as distributed

II. Chancellor’s Remarks – Chancellor Levin-Stankevich

• Wonderful concert at Zorn arena
• Board of Regents meeting
  • La Crosse Plan
    • introduced by Doug House
    • purpose was to increase tuition and use as Institutional Financial Aid to offset low income students who couldn’t afford that tuition
    • used as part of UW-La Crosse Growth Agenda as a Decision Item Narrative (DIN)
    • ended up being portrayed in media as taking from white students and using towards minority students so was killed in legislature
    • La Crosse then given $700 thousand as part of their Growth Agenda on a Base Budget basis to add faculty or staff and in return, increase enrollment
    • A few years ago La Crosse purposely decreased freshman class in order to up the profile of freshman class
    • La Crosse came back with raising tuition with a Differential Tuition package
      • Over 2 years, increase tuition by $1000 per student
      • So in 2 years freshman will begin paying $1000 more than they are right now
      • Increased tuition to be used towards hiring faculty and academic staff
      • In return for hiring additional faculty and academic staff enrollment would increase by 500 students
      • this package would give UW-La Crosse close to an additional $10 million per year
      • Over the past few years UW-Eau Claire had to do without $5.7 million per year
We’ll have to see how UW-La Crosse’s plan plays out because if State funding doesn’t increase then we may have to look at other routes

- State Funding of Higher Education Institutions
  - Michael Falbo (new Regent) asked the question: The Board’s distribution of funding isn’t based on enrollment
  - It hasn’t been
  - If it is, the funding formulas change very quickly and not in our favor
  - If it is come back to the Board of Regents it will likely be in the Legislature as well

- Visit from Chancellor David Wilson (Chancellor of UW Colleges and Extension) and David Skilbo
  - Adult Student Initiative and early stage rumblings in UW Colleges about offering limited Baccalaureate Degrees out of the UW Colleges
    - Brought up to the Chancellor’s meeting a few weeks ago and got a cold reception particularly from schools that have significant vacancies in the Resident Halls and looked at the demographic downturn over the next 10-15 years as directly targeting them
    - Keeping more students for a longer time in UW Colleges is not something they see as productive to their financial or educational well being
    - Resources that can help us in Adult Student Outreach and Adult student education – including developing online courses and course development funding and support from UW Extension
    - Our Growth Agenda talked about preserving selectivity at freshman level in order to do that growing at other areas in Graduate Studies and Adult Student Outreach among other areas

- Mark Bradley (President of the Board of Regents) to visit campus on Thursday, December 13th, 2007
  - To meet with students, Senate Leadership and Shared Governance

- Judith Crane to visit in January or February 2008

- Visit from WiSys which is a branch of WARF (Wisconsin Alumni Research Foundation) that supports comprehensives
  - WiSys is there to help assist in technology transfer between the Comprehensives and industry in the business world
  - WARF builds all the buildings that you see going up in Madison like the Microbial Science Building
  - State distributes $74 million in GPR state funding for research
  - Last year 77% went to Madison, 20% to Milwaukee and remaining to all other comprehensives
  - Chancellor is lobbying to push for greater percentage for Comprehensives
  - UWEC has 2 patents with WiSys between faculty and faculty/student collaborative research

- UW Planning Committee works on the writing of a draft of the strategic plan we initiated; the next step is linking the budget to the Strategic Planning process
  - Fred Kolb to chair that group
    - Kolb stated that we have moved into a new environment in terms of budget
    - Must be able to read things effectively and adjust that requires a budget process that allows input, allows decisions and allows reallocation
    - Can trace budget we have today and the allocations on Campus back to 1971
    - We have been losing money since the late 1970’s
    - Committee will not be suggesting what the changes are in terms of where the money goes but rather a process so that good decision makers applying that process can lead to good results
    - Strategic plan work group #5 did a nice critique of the current budget system

III. Unfinished Business
Second Reading – Motion 44-AP-02 from Academic Policies Committee

Goals of the Baccalaureate

The Goals of a University of Wisconsin – Eau Claire Liberal Arts Education include:

- Knowledge of Human Culture and the Natural World
- Creative and Critical Thinking
- Effective Communication
- Individual and Social Responsibility
- Respect for Diversity among People

Continued Debate
- the 5th goal is adequately summed up by the first 4 goals, although he is not proposing that the 5th goal be removed
- blue information sheet the Senators were given on their name tags is a letter from the Chairs and Deans of the Colleges of Arts and Sciences who endorse the proposal as it stands
- Student Senate overwhelmingly voted to recommend our adoption of the goals
- it wasn’t clear where numerical understanding was among goals
- concern as to how the goals would be used with syllabi
- are they supposed to specify which goals were met by which assignment as the proposed goals are more broad
- Regarding the appearance of the Baccalaureate Goals on a syllabus was thought to be more necessary by this body when there were 11 of them, divided up almost by discipline in some cases. Maybe we should revisit this question as a body to see if we still want to mandate that notation on every syllabus.
- if the language was going to be incorporated about being a Liberal Arts Institute versus having these as the goals and wants to know if it came up in Academic Policies Committee
- University of Wisconsin Eau Claire introductory statement says that the existing University Baccalaureate Goals be replaced by the following five learning goals and that includes an introductory statement
- The goals of the University of Wisconsin Eau Claire Liberal Arts Education include and then it lists those five

Vote on Motion 44-AP-02: Motion PASSED by University Faculty Senators

IV. New Business
First Reading – Motion from the Compensation Committee
Report on Resolution in Support of Higher Salaries for Faculty and Academic Staff – Vice Chair Gapko
- The Board of Regions has stated that we need a 7.35% salary increase each year of this biennium. Last December they recommended a 5.23% of the biennium for four years for Academic Staff

Motion 44-CP-01
MOVED and seconded by Compensation Committee that the Senate pass the attached resolution supporting continued efforts of the Board of Regents and UW System administration to secure adequate salary increases for all faculty, academic staff, and senior academic leaders.

Resolution of the Combined Faculty and Academic Staff University Senate
at the University of Wisconsin-Eau Claire
December 11, 2007

 Whereas, the University of Wisconsin system wide Compensation Advisory Committee reviewed salary data from established peer groups and national reports on faculty salaries and reported that the data indicate:
- faculty will enter the 2007-09 biennium 8.5% below peer group medians;
- academic staff are nearly 12% behind market median salaries; and
- senior academic leaders are, on average, over 16% behind predicted peer group median salaries; and,

 Whereas, the Board of Regents considered those factors and concluded that to recruit and retain faculty and academic staff a salary increase of 7.35% each year is needed; and, cognizant of the difficulty of funding the needed pay plan in the current fiscal climate, proposed that a 5.23% increase each year over two biennia will begin to close the gap between median salaries and peer median salaries; and,

 Whereas, President Reilly submitted 2007-09 pay plan recommendations, as adopted by the Board of Regents on December 8, 2006, for UW System faculty, academic staff, and senior academic leaders to the Office of State Employment Relations (OSER) Director, Karen Timberlake, to recommend to JCOER a salary increase of 5.23% each year; and,
Whereas, the Consumer Price Index over the past 12 months ending in October 2007 has been increasing at a rate of 3.74%; and,

Whereas, salary increases less than the rate of inflation are actually salary decreases; and,

Whereas, all unclassified staff—faculty, academic staff, and administrators—contribute to the university education of students; and,

Whereas, there is discussion of separating some academic staff from faculty as further salary increases are considered,

Be it therefore resolved, that the University Senate at the University of Wisconsin, Eau Claire, support the Board of Regents and the UW System President in their continued efforts to ensure salary increases greater than 2% in the first year and 3% in the second year of the 2007-09 biennium in order to obtain fair and competitive salaries for ALL academic staff, faculty, and senior academic leaders; and,

Be it further resolved, that upon passage of this resolution, University Senate Chair Wood transmit copies to UW Eau Claire administrators, UW System President Reilly, Board of Regents President Bradley, OSER Director Donnelly, and Governor Doyle.

Debate
- a discussion at system level about dividing academic staff
- Regents have approved 2 plus 2 plus 1
  - Still discussion about possibility of raising tuition at the Institutions and using the revenue from that increased tuition to fund a larger percentage salary increase
  - When faculty representatives last met in Madison during a presentation form Al Christ said that Governor is interested in proposing this tuition funded increase for Faculty only. The Faculty Representatives in attendance pointed out that they have never supported the decoupling of the two categories and are unlikely to support it again.
  - Vice Chancellor Soll to clarify the reference to raising tuition to fund additional salary adjustments when in reality the Regents set tuition in July
    - When setting tuition they didn’t know what the pay plan was going to be so they had to make assumptions and that was that the pay plan would be 4% and that it would be funded 65% by the State and 35% by tuition
    - Legislature only approved 2 percent salary increase so at this point we are generating money through tuition to cover 1 1/3 to 1 1/2 %
    - System suggestion to supplement the 2% increase pay plan with what we have already collected as there is no discussion to raise tuition to increase the play plan
    - Kevin Reilly and Mark Bradley have continued to pursue the supplement is needed for all
  - Motion and Resolution read
    - stated that actually there was a larger range in pay discrepancy but board didn’t feel comfortable going above the numbers that the board had in front of them
    - Propose editorial – to add two “whereas” at the end, putting the word all in bold/cap letters and expand who it would go to
      - doesn’t think the CPI numbers are right and that they are too low
      - came up with 3.5
      - Provost Tallant suggests change that Karen Timberlake is listed as Director of OSER but it is now Jennifer Donnelly
      - why was the comparison in January 2006 instead of last salary adjustment made
      - question asked if move to suspend do we need another reading Response: we can vote on it today if the body considers the changes as editorial as well as we will distribute the new text

MOTION by Senator Stern that we suspend the rules to vote on this today seconded and PASSED by two-thirds vote.

Continued Debate on Motion
None

**Vote on Motion 44-CP-01:** Motion PASSED as edited without dissention

V. University Senate Chair’s/Faculty Representative’s Report – Senator Wood
- Although it will formally go to the Regents for approval the Chancellor has signed the proposal for functional alternatives for DPC

VI. Academic Staff Representative’s Report – Senator Brockpahler
- no further report but there is a teleconference coming up on December 13, 2007

VII. Reportable items from Committees
- Compensation Committee – Vice Chair Gapko
  - Board of regents approved at or above 2% for merit
  - Compensation Committee discussed briefly but did not make recommendation to change
  - Should some further chunk of pay plan come along that will be handled as a separate chunk and the 2% will be distributed across the board
- Nominating Committee – Senator Don
  - None

VIII. Special Reports – Report on Current Budget Process – Vice Chancellor Soll
- Chancellor ‘s brief introduction
  - In order to have an understanding about the budget we need to have information and a common set of terminology and understanding on how money comes in, how money sits and how it gets spent
  - Budgeting Process Task Force
  - Power Point provides overview
  - Willing to bring Power Point presentation to any building/college
  - All input and questions are of great interest
- Vice Chancellor Soll
  - Handouts given
  - Budgeting Process Task Force wants to help the campus gain a better understand of the budget situations we face and some of the issues involved in funding of the University as well as the processes we use to determine how those funds are distributed and allocated to the various departments and units on campus
  - Some possible different budgeting models that might come into play and some questions that we expect the Budgeting Task Force will be asking as they go about their work so this Power Point is meant to set a context
- Power point Presentation on Budgeting Process
  - University Budget: $159 million
  - percent provided by state: 28%
    - the rest provided thorough general purpose revenue (tax dollars), academic fees (tuition), operational receipts (housing, centers, food service, segregated fees), gifts and grants (any money coming from outside sources such as federal government, financial aid and private sources)
    - Another way to divide budget is by activities: Financial Aid: 21.2%, Auxiliary Operations: 10.6%, Physical Plant: 9.4%, Institutional Support: 5.1%, Student Services: 10.3%, Academic Support: 9.4%, Public Service: 1.1%, Research: 0.5%, Instruction: 32.3%
    - Financial Aid money does not necessarily count towards university operations as the money is also used towards housing, food and etc.
  - **Total Budget vs. General Operations Budget**
    - Total Budget: Funds from all sources for all purposes, restricted and unrestricted, including: General operations, Auxiliary Operations, Gifts and Grants and Financial Aid
    - General Operations Budget: Unrestricted funds used for educational & general activities, including: Instruction, Academic Support, Student Services and Physical Plant
  - General Operations Budget
• Percent of the University's general operations budget provided by state in 2006/2007 was 44%
• 56% through tuition and other academic related fees
• In 1979 the state provided almost 75% of the University’s general operations budget
• Impact of Budget Cuts (FY1999-00 through FY2008-09)
  • One time Cuts/Lapses $5,024,161
  • Total Annual Base Cuts $5,727,842
  • Cumulative Impact * $36,664,525  * The cumulative total of funds not available for UW-Eau Claire as a result of one-time and base cuts from FY2000 through FY2009 based on recently approved 2007-2009 budget.
• $5.7 million has been removed from our base budget over the last 7 years
  • Not only do we report Auxiliary but by Statute as well as Regent Policy we are prohibited in using the money generated through Auxiliary operations or segregated fees to pay for instruction and other instruction related expenses
• Budget Operations Budget by Activity
  • Instruction: 55.9%, Research: .1%, Public Service: .2%, Academic Support: 14.8%, Student Services: 9.6%, Institutional Support 9.1%, Physical Plant: 9.8%, Financial Aid: .5%
• Budgeting Flexibility
  • Nondiscretionary Costs
    • Directed by Legislature: Fringe benefits, utilities, debt service and financial aid
    • Controlled by contracts: salaries
  • Discretionary Costs
    • Determined by University: Services and supplies, some equipment and travel/professional development
• General operations budget of $82 million
  • percent considered non-discretionary: 92%
  • General operations Budget by Expense Class: Salaries: 60.5%, benefits: 26%, Utilities: 3.6%, Services and Supplies: 8.3% Permanent Property: 1.6%, and Student Aid: .1%
• Between 1995 and 2005 how many academic programs were added and dropped: +34 (43 added and 9 dropped)
  • Program is a new major or certificate
  • If continue to face financial constraints then we may need to look at this more carefully to bring that net increase down
• UW System Budgeting Process
  • Generally incremental
  • Generally distribute cuts across-the-board
  • New funding generally targeted
  • Not enrollment based
• Biennial Budgeting Process
  • 2 major components
  • Cost to Continue
    • Budget component that covers ongoing costs at previous level of operation, including expense items such as annualized salary increases, health insurance increases, utility costs and debt service (Does not include general inflation on Services and Supplies)
  • Decision Item Narrative (DIN)
    • A document used by the University or other state agency to present a funding proposal for a new or expanded initiative above and beyond the cost to continue
• UWEC DIN History
  • Library Reference Materials: 1999-01 Funded through system-wide initiative
  • Academic Advising: 1990-01 Funded through system-wide initiative
  • Chippewa Valley Initiative: 2001-03 Funded
- CVI Phase II: 2003-05 Not funded
- Nursing-Marathon County: 2005-07 Not funded
- NanoSTEM: 2007-09 Funded
- Teacher Education: 2007-09 Funded through system-wide initiative
- Nursing: 2007-09 Funded through system-wide initiative

**UWEC DIN History Conclusion**
- DINs are not a reliable funding strategy for new or expanded campus initiatives
- Face challenges on how it allocates money

**Budgeting Issues**
- Alignment of budget with strategic priorities
- State support not likely to improve in coming biennia
- Limited control over tuition levels
- Limited discretionary spending categories
- Centralized vs. decentralized budgeting decisions
- Role of growth in strategic planning and budgeting
- Need to be effective in use of available resources
- Need to be more entrepreneurial

**Budgeting Models**
- Incremental: All budgets adjusted by percentage
- Formula: Allocations driven by agreed upon factors
- Zero-based: Budget built from zero
- Responsibility Center: Centers own and must fund all expenses
- Initiative: Funds off the top reallocated for priorities
- Performance: Resources to those that achieve levels of performance
- Hybrid: Combination of two or more models

**Budgeting Models: The Strategic Budgeting Process Task Force will ask:**
- What are we already doing?
- What features of a budgeting model could help us meet our planning goals more effectively?
- What features would not be a good fit?

**IX. Miscellaneous Business**
- None

**X. Announcements**
- None

Without objection, meeting adjourned at 4:55 p.m.

Submitted by,

Tanya Kenney
Secretary to the University Senate