

FACULTY SENATE - DRAFT
March 10, 2010
346 Leon Johnson
4:10 PM – 5:00 PM
MONTANA STATE UNIVERSITY-BOZEMAN, MONTANA
Minutes

Members Present: Caton, Cherry, Eiger, Eitle, Fischer, Fleck, Frick, Jacobsen, Kaiser, Lansverk, Larson, Lawrence, Locke, Lynch, Marshall for D. Weaver, McClure, Merzdorf, Mokwa, Neumeier, Osborne, Rossmann for Wojtowicz, Schachman, Sobek, Sowell, Thompson, Van collar, Versaevel, T. Weaver, Zhu

Members Absent: Bangert, Bessen, Chen, Gee, Gerlach, Livingston, Meade, Merzdorf, Mosley, Political Science, Waller

Others Present: President Cruzado, J. Fedock, D. Singel, B. Kohler, B. Bothner, J. Robison-Cox, J. Adams, J. Barber, D. Letendre, G. Durham, L. Carucci, G. Young, S. Taylor

Chair Wes Lynch called the meeting to order at 4:10 PM. A quorum was present.

FS Discussion with President Cruzado

- **MSU is a land grant university, yet with the last set of budget cuts, the extension and experiment stations were disproportionately cut from 2.5% to 10%.** *We began with a 5% cut across the board, and the recommendation was that the executive cannot charge any of its agencies (universities) more than the average of the rest; that is why it was originally reduced from 5% to a 4.51%. The dollar amount coming out of MSU remains unchanged; what has changed is the proposed allocation and that is where they reduced it to a 2.5% from instruction and then it went up to almost 10% for AES and CES. These are proposals. In the last analysis, I am hopeful we can approach this as a one-university entity. I hope we can find a way to say that this is unfair to part of our mission. We cannot afford to cripple some of our programs for the sake of others. AES/CES faculty members' FTE is shared among instruction, extension and AES because they are involved in all those initiatives. Cutting \$250,000 from extension would cripple that operation and I am hopeful we can find another way. We viewed AES at New Mexico State as part of the university and not an independent agency. Additionally, the state department of agriculture reports directly to the president of the university and the only other place this happens is in Indiana.*
- **Please comment on what is coming with regard to performance-based funding. What are you thinking and, perhaps, the BoR's thinking? How will this effect our funding?** *I would like to have new conversations about a new funding formula for Montana. Currently, this base + model is too dependent on personalities and political arguments. I know there is not a perfect formula, but I would prefer a mathematical formula that would track one thing and reduce it to a very simple element using for example, student credit hours. That is the minimum unit of effort that we can track and measure. If one institution is producing more credit hours, that institution should receive more funding. I would also like to see a threshold that would reward with new dollars and a threshold that would have positive and negative consequences. We do not have that in Montana. It is difficult for me to see what I need to do here to increase my funding formula. Lump sums base plus don't do it. Performance funding is a different thing and in our meeting last Friday, the Commissioner started to verbalize some of my concerns. Other states, like Tennessee, have implemented performance-based funding and it has crashed. When you concentrate on graduation rates and completions something will suffer. Every funding formula has minuses and pluses. The problem with performance-based formulas is that you must be careful you are not diluting academic quality; then you are just pushing people out the door. I believe the BoR have a good opportunity to consider options for a funding formula, and I have asked to be included in those conversations. I would advocate for a funding formula that is very simple and contain an element of challenge and elements of positive and negative consequences. That would serve as an incentive to all of us.*
- **What is re-basing, which is what we keep hearing from the BoR? What does it mean to you and MSU relative to other units?** *In the face of base budget cuts, that means our new base will be whatever happens after this 5% cut. It will be like going back in time, as what is happening in most states, where we go back to funding levels of, say, 2006. The problem is that we will have more students to serve and other characteristics will have changed and we cannot say "We cannot serve you now because of fewer resources." Missoula's version of re-basing means advantaging themselves with regards to us. There is a broader picture; they are serving more FTE's than we are. That is why I would like to move from FTE to student credit hours. It represents a true indicator of the work force that you have to invest in, in order to produce something. What happens with FTE is that more and more students enroll in less and less courses and we have more part-time students.*
- **Regarding student credit hours, because of the recession a lot more students have moved back and forth between departments/courses that they believe will bring them jobs, and out of other**

departments. It's hard to run a department where teaching goes up and down sporadically. Additionally, over the last many years, universities have grown their administrations more so than faculty and I believe it is partly because we are being asked for more unfunded mandates, such as assessments, to take place by the BoR. How should we handle that? Objectively, some of those mandates are not coming from the BoR, but are national mandates and are huge undertakings. They require a lot of people and you either do it or jeopardize your accreditation standards, therefore jeopardizing the quality of your programs and financial aid. Also, there is the issue of direct loan lending. By removing the banks from this formula, the burden falls in our lap. They were processing the paperwork; now we are going to be doing that. The three unfunded mandates came from national levels and the BoR have not been involved in this.

- **When students sign up for classes they have tuition cap up to 18 credits. I wonder if you envision, if the budget does come down, classes being gauged to student credit hours and students pay per credit hour.** I have heard that proposal at u of M, and I would like to see numbers. If students need it to graduate and the gain is minimal, then leave it as it is. Our students are not taking full advantage of that and I surmise that if they are paying for everything that would be a dis-incentive. The other things we could build into a funding formula are a pay-back to the institutions depending on the level of the course. For example lower division courses, you will receive "X"; upper division courses you receive 3x "X"; masters program 5x "X"; PhD 10x "X". This motivates us to retain and move the students towards graduation, and invite them to stay in our graduate schools. Other schools are successful with this model, and we will be discussing this with the BoR and the legislature.
- **Another thing that concerns me about performance-based assessment is that there is quite a difference across departments. Some have active graduate programs where professors are mentoring students, as many as 10 students in the lab, and they are assessed on student credit hours. What would you think about assessing the interaction time the professors spend with the student instead of just student credit hours?** That would be difficult to measure. We need to start with something that simplifies the model, and then we can grow into more complex models. I guess I am worried about too much simplicity and missing the general picture. There is no perfect model, and the point I am trying to make is that I need a formula that is based on something tangible and protected from whims. You cannot argue with something that is measureable.
- **To follow up on that, you get zero credit for the masters 599 research or 699 doctoral program and those students do take time.** That is an internal deficiency that we can correct.
- **To continue the discussion, there is a very strong incentive structure called promotion and tenure and the students credit hours run at odds with this because, if you want to be successful at tenure, you should do the minimum you can to play the game to maximize your research.** This is a serious concern. We are here because we have a tri-part mission; teaching, research, service and in my world, they are complimentary. We are here to educate students and to teach. States will tell you they don't fund for the research component, which is not fair, but I do not think teaching and research are opposed. It behooves us to come up with the necessary policies to make sure that we have a breadth of appreciation for scholarship in general. When I speak of scholarship, it is not limited to peer review journals; it includes the scholarship of teaching and learning (and there are ways in which we may measure that and that has an impact), and the scholarship of research and creativity and that is where you include all your grants and publications; then there has to be space in a land grant university with the scholarship of engagement; what are we doing with our extension programs? What are we doing with our service? All of these components have to be measured and included. **The broader point was that whenever you say the structure that is in place for the faculty needs to be aligned with the funding model that is adopted, I feel tension, at least in my college, regarding that model. We need to be producing in the research.** As an example, we've had retired faculty who are teaching a credit load of 5-6 courses per year; we hire new tenure track untenured faculty who teach 1 or 2 courses and now who is going to pick up the extra teaching? Senior faculty want to continue their research, so what do we do? I'm not sure what the model says about how we serve the students. **We ought to be hiring two faculty to replace the one to maintain the level of service for the students.** P&T is an individual accomplishment. Student credit hour production does not have to be measured by the individual, but by the department; that is why we have department heads. They will be able to balance that equation out. They make sure they continue tenure track to bring in new dollars to their department. It might be that so and so might have reduced teaching loads because so and so will have an expanded teaching loads. That is why you have those levels of skills at the department head level. And you do not need to have that tension. I have lived in those models and it can be done.
- **Someone mentioned that there is going to be teaching reduction based on whether or not you have grants.** I have not heard that.
- **Have you heard anything about tuition increases?** What I have witnessed is students asking the BoR to increase tuition. There are many misconceptions and stigmas around the word "tuition" and I believe it will be good to de-mystify it. Low tuition only benefits wealthy families. The student, who qualifies for financial aid, will qualify regardless of the tuition level. In that sense, we are only saving dollars for families who can send their kids here and can afford to pay more tuition. I believe it is at an impasse. Calculating revenues and expenditures and the difference is what you negotiate with students.

I am not a proponent of large tuition increases. Students are very reasonable, however. A modest three percent (3%) increase is manageable and can make a significant difference in our operations and particularly if you translate it into tangibles.

- **We need to track and monitor how no salary increases for faculty will affect the quality of faculty and how this will impact the university.** *I agree. I heard about Montana State because three years ago New Mexico State was going to revise the list of our peer institutions which we benchmarked against. I decided to start from scratch and only benchmark against land grant universities that were only regional and had no veterinary or medical schools. And I tracked New Mexico State compared to Montana State for two years; I knew where we stood in terms of ACT, research dollars, faculty salaries, etc. New Mexico State was next to last in a list of 16, but MSU was last. At New Mexico State, we examined our inequity and hired an external consultant with the intent of absolute objectivity. We found out how far away from the median we were. Here is the thing that all of us will have to approve and to understand that this is how we are to do it: We then centralized vacancies; all vacancies of faculty and staff. We will come up with a model to allocate faculty lines and with a model of reallocation for staff lines, as well. You know, that sometimes that doesn't follow any rhyme or reason. You have small departments with a lot of staff and vice versa. Then you start putting together that pool and you put your vacancies there and you put a little bit of tuition there and in the end, after two years, we were able to allocate what we had in that pool for faculty and staff. In the case of faculty, I gave increases of \$6, for example, in some departments that were close to the median; close to the 25%. There were increases that were \$12,000, too, because those departments were very far away. So, people knew that I was not going to be able to correct years, years of practices that were the same, but at least we were moving in a positive direction. So, those are things we could do here. We need some help from the tuition side of the house. We need to also look for ways in which our economy can stabilize so that we don't continue to talk about 10%. But that could be done.*
- **Do you envision centralizing benefits as well?** *Let me start by saying "Thank you." Because it was at one of the listening and learning sessions that I learned about that. That is part of the information that is not included in any web site. Now that I have completed my 30+ listening and learning sessions, I am thinking about coming back and saying "This is what I listened to and learned." Am I on the right track? One of those things is benefit centralization – we are taking that back. I talk to the office of business and administration and we are taking that back. You cannot take more than the money that you gave the departments, because I understand there was a deficit, so I wanted to make sure that I didn't hurt the departments. But in exchange, I also want to sell you, in exchange, I am going to propose centralization of vacancies. So that they cannot tell me again, is just that the departments were hiring without consent. There has to be a better way which we can do that without passing this cost down to the departments. So that will be coming back effective July 1."*
- **Please speak about program evaluation.** *Joe Fedock – It is not solely as issue of program review, but more of a program prioritization. The intent is that it is an institution-wide process to establish priorities for the purpose of making academic and budget decisions. I have only gotten to fundamental guiding principles and those include involving all constituencies (faculty, various appropriate levels of academic leadership, students). The structure and timeline have only been preliminarily discussed with deans. When there is a greater level of specificity, I will involve Faculty Senate. It will be broad-based, collaborative and based on quantitative program metrics and a consensus of what those metrics should be. There will always also be a qualitative element. We have never had, since the 80's, a budget challenge like we have today. **Didn't we use Key Performance Indicators (KPI) about 6-7 years ago? Could those be some of the metrics we will use?** *Yes. That would be a very likely a starting point. **Would any of this prioritization be affected by the recent BoR's mission review? If this program prioritization is impacted by that, we didn't participate in that very well.** I would characterize the mission review document requested by Bozeman and Missoula was more of a high-level "who do we think we are" as an institution and these are programs "x", "y" and "z" and their defining elements. Therefore, that comparison is like apples and oranges. The mission document focused on what we are as a land grant institution, programs that are historically part of a land grant institution and how the institution operates. President Cruzado - I think it is problematic when we talk about program review in the context of financial landscapes. It is not going to be the solution that saves the university, at least not the financial side of the house, and it prevents us from doing what we do best; assessing our weaknesses and strengths. I believe we will not be too successful if we just look at programs underperforming. I am sure if there are programs that have very small numbers of students, rather than trying to do the same thing over and over again, we have the creativity to graduate the students and use resources in other areas. It would be healthier if we fully embrace program review as a positive exercise. For example, in Puerto Rico, it was the practice in their scientific department, to have AAAS send a team of three experts to review them. You had top-notch colleagues that would come to interview your department and reported on your strengths and weaknesses. I think if we embrace that perspective, we would be more successful and attract more students and faculty members. They would know we have top quality programs. I would like to ask you to try to move away from associating program review as the ultimate salvation from the financial situation. That is not what is going to rescue our financial side of the house.**

- **We often mention “land grant institution” but it seems to me that the nature of our university has changed. We have graduate programs, we do research and we do provide service to the state; but we are many things. To call ourselves the “land grant institution” and that is the way we started and we still do that, but we have evolved. We also have humanities.** *I am very proud of the fact that we are a land grant university. We will continue hearing about that pride. Why? Because that is how we were started; to educate the sons and daughters of the working class and that is why we are here. We have to show day in and day out that access and excellence are not mutually exclusive terms. The Morrill Act says that the leading objective is agriculture and engineering. It also says without exclusion of the classical studies and it talks about how we are going to prepare and provide this liberal and practical education (hands and minds) and it concludes by saying that we are going to educate the students in the “different professions and pursuits of life.” We cannot forget where we come from. U of M was not established by a Congressional Act.*

The Faculty Senate meeting ended at 5:00 PM, as there was no further business.

Signature

Wes Lynch, Chair

Signature

Gale R. Gough, Secretary