

UNIVERSITY OF NEW HAMPSHIRE
2005-06 FACULTY SENATE

OCTOBER 17, 2005

MINUTES SUMMARY

I. Roll – The following senators were absent: Burger, Chasteen, Deem, Frankel, Gold, Lugalla, Macieski, and Morgan. Excused were Becker, Haskins, Kallianpur, Reid, Robertson and Schlenrich. Guests were Bruce Mallory, Candace Corvey, John Aber and Taylor Eighmy.

II. Responsibility center management review – The senate chair said that, after the last senate meeting, Mimi Becker reported the senate's concerns to Vice Provost Alan Ray and the RCM Review Subcommittee on Quality and Governance, telling them in part that:

During the senate's discussion of the RCM related concerns, there were strong feelings on the part of senators (representing a range of departments and colleges) that RCM has compromised the quality of teaching, served to foster "dumbed down" course content and inflated grades, and led to inappropriate course offerings, with the objective of getting more "butts in seats" to generate dollars for deans, and that a significant proportion of such initiatives did not fundamentally relate to furthering the objectives of the academic plan. Those concerned felt that the categories of bean counting used to facilitate the RCM reviews were not sufficient to address such issues. And those professors felt that, across the board, the objectives/terms of reference to the various subcommittees pretty much ignored the academic quality issues that were raised during the initiation of the RCM review process last year.

Today the provost pointed out that, in the pre-RCM years from 1979 to 2000, there were always charges that the bean counters were driving academic decisions. Sometimes there was evidence of this. When the 1995 Planning Council cuts were implemented, the focus was on reductions in expenses without reference to a strategic plan or the university's academic mission. In the late 1990s, the university eliminated faculty lines, did not fill retirement vacancies, reduced department operating budgets, reduced part-time instructional costs and also support for graduate students, moved departments from one college to another, reduced library purchases, and cut elective course offerings, in order to cut \$2.2 million from the budget. This was done with no central Academic Plan and little long-range planning, under a centralized budget management system characterized by lack of transparency, little faculty input, and spending sprees at the end of each budget year to avoid loss of funds. The cut-backs affected many academic areas and included long-distance calls, travel, and even making copies and using chalk in the classroom.

The provost said that RCM is a tool to implement strategic plans at the university and school/college levels. In the university's most effective units, there is alignment among department, college and university goals; and decisions about allocating scarce resources reflect that alignment. The tools that RCM provides do help to identify expenses and revenues; but budget planning and implementation now begin with academic goals, not ad-hoc cuts. The primary questions of the RCM review are: (1) how does the RCM model support or hinder achievement of Academic Plan goals; (2) how does RCM foster the appropriate balance among the teaching, research and service/outreach missions; and (3) is there evidence that important decisions are being made on the basis of financial considerations without appropriate regard for

mission considerations. The first question assigned to the Quality and Governance Subcommittee was: “Is there quantitative or qualitative evidence to suggest that the RCM model has affected academic quality, outreach and engagement activities and interdisciplinary collaboration?”

The university must operate with a balanced budget. Cross subsidies within units and occasionally across units may need to be part of the overall approach to solvency, but our current model leaves almost no central money for such cross-subsidies or even for strategic investments. RCM is a highly decentralized system in which each unit must, over time, demonstrate a balanced budget. When a unit shows consistent deficits due to overspending and/or declining revenues, there must be a feasible mitigation plan. Under RCM we can see clearly how many beans there are and where and how much they are being replaced and consumed, what actions caused the emptying and filling, and what measures we might take to assure relative balance among the jars. The provost said that under RCM we all have the same tools of observation available and can make decisions based on academic quality, the Academic Plan and the university’s mission, for the good of the university as a whole.

The vice president for finance and administration said that the RCM review planning group included three faculty members and invited extensive community input. A very large body of feedback and information was gathered and distilled into logical groupings of questions and issues; and this fall the RCM Steering Committee created seven subcommittees, which have been working and are expected to report to the RCM Steering Committee in November, on the subcommittees’ charges. In December, the RCM Steering Committee will assemble with the participants, debate the issues, and prepare a draft of proposed changes to the RCM model. Two open fora will be held on December 13 and 15 during common exam time, and then the steering committee will prepare recommendations for presentation to the Central Budget Committee on January 19 and will make recommendations to the President by February 20. This schedule (which will have been an eighteen-month process by its conclusion) has been planned so that changes can be made to the RCM model in time for the work on the FY 07 budget.

A senator said that RCM looks good on paper but that the criticisms the provost described about the old budgetary system are true in some colleges now under RCM. He added that systems depend on people; and now there is complete freedom for the manager of an RCM unit; and this brings us back to the problems of the pre-RCM era. Would the provost please compare the number of full-time faculty in 1995 with the current number? [Although the provost did not have this information immediately, he later provided the following information: “The number of tenure track faculty (headcount) decreased by 1.9 % in the five years preceding the implementation of RCM, then grew by 7.3 % in the first five years of RCM, with a resulting ten-year increase of 4.1 % (from 592 to 616). During these same time periods, non-tenure track faculty head counts increased by 5.3 % prior to RCM and decreased by 9.7 % since RCM, with an overall decline of 1.8 % (from 114 to 112).”]

A history professor expressed concern that the quality of his department could be compromised in the effort to ensure increasing enrollments. However, the money from extra enrollment does not go to the department in any clear way, because the dean distributes the funds and it is hard to see the equitability in the process. The provost replied that those issues are at the core of the RCM review process itself. Also, we now have much more autonomy from the university

system. The funds are finite, and the state appropriation has declined over the last ten years in relation to the rate of inflation. The provost added that the faculty is well represented on the RCM Review Subcommittees.

A faculty member asked if the transparency of the RCM system could give the state a pretext for cutting the budget further. RCM does not make it easier to deal with financial shortfalls; RCM just makes clearer what the situation actually is. The VPFA said that the university is better off when the legislators see that the university is well managed and clearly aware of where the money is going. RCM is a tool, and it matters most who the people are that are using the tool and how they are using it. Feedback from the Board of Trustees is that there is a sense today that UNH is better managed than it was twenty years ago.

A senator said that RCM gives us a clear accounting and that we should not blame RCM for the problem of lack of funds. He said that better clarity on the principles that the deans will follow in RCM is needed. The provost replied that the principles vary across the nineteen RCM units and that the Central Budget Committee is the place to deal with unequal implementation or its perception. How chairs participate in budget decisions is quite different in the various colleges. Missing is an explicit articulation of how this should operate. The provost said that we could produce that set of principles in the RCM review and then ask the deans to be accountable to them. A professor said that the uneven application of principles is a problem and that faculty feel cut off from those principles. He asked if the RCM review will remedy operationally the guidelines for implementation that managers would be obligated to use, and the provost replied that the Quality and Governance Subcommittee can deal with this. The VPFA added that she will make sure that the RCM Steering Committee discusses this matter explicitly. When RCM started up, each dean was asked to put in writing what the operating principles in that unit would be, but the response to that request was variable.

A faculty member asked how RCM can assess the teaching function, considering that grade inflation may have occurred. The provost replied that the assessment of the quality of teaching is the responsibility of the faculty in the context of departmental reviews and promotion and tenure. The professor pointed out that RCM creates pressure to increase enrollment and therefore creates pressure to drop standards. The provost said that we can check how these have happened in the pre-RCM and post-RCM eras, and he added that there is no evidence for grade inflation when you look at the data. In the RCM review the provost hopes that we can sort out the factors that should be assessed, what the incentives are, and how they work.

Faculty representatives to the RCM Review Subcommittees include Chris Shea on the RCM Assessments Subcommittee, Palligarnai Vasudevan on the RCM Graduate Tuition and Financial Aid Subcommittee, Curt Givan on the RCM State Appropriations Subcommittee, Mimi Becker on the RCM Quality and Governance Subcommittee, and Bill McDowell on the RCM Research Subcommittee. Faculty should send their concerns about RCM to Chris Shea (cmshea@cisunix.unh.edu) or Mimi Becker (mlbecker@cisunix.unh.edu) or one of the other representatives and should include specific examples and details. The senate chair will see that the provost, the VPFA, and the subcommittee representatives receive a copy of the senate discussion. Other faculty on the committees beyond those listed above are Phil Hatcher (CEPS), Heather Barber (HHS), Dan Bergeron (CEPS), Ray Goodman (WSBE), Diane Tebbetts (Library), Nancy Kinner (CEPS), Mil Duncan (COLA/HHS), Ken Fuld (COLA), Chris Bauer

(CEPS), Judith Brink (Library), Pedro DeAlba (CEPS), Sharyn Potter (COLA), Barry Hennessey (Library), Joanne Curran-Celentano (COLSA), Janet Sable (HHS), Tom Kocher (COLSA), Scott Fletcher (COLA), Afshad Irani (WSBE), John Seavey (HHS), and Mike Merenda (WSBE). Research and Clinical faculty on the committees include Joe Moore (COLSA), George Hurtt (EOS/COLSA), Amy Philbrick (HHS), and Andy Smith (COLA).

III. Financial relationship between UNH and USNH – Regarding the contributions UNH is required to make toward the university system expenses, in FY 06, UNH sent \$13.5 million to support system-wide functions. Each of the institutions in the system contributes on a pro-rata basis; and the contributions support the chancellor's office (which includes the legal counsel, human resources, and marketing/public relations), the controller's office, purchasing and contract services, computer and information services, support of the human resource and finance information systems and management reporting, etc. Some of the central services occupy space on the UNH campus and now pay the usual net-square-foot space charge to UNH. If the central services were not available, many of the services would have to be funded by UNH directly. In some cases, UNH clearly benefits from economies of scale in the shared services; but other costs may be duplicative of what we already have on campus. The UNH contribution to the system office has grown over the last six years at a 7.3 % average annual growth rate, but the UNH Educational and General revenue has only grown at a 6.3 % average annual growth rate in that time. UNH pays almost three quarters of the system costs, in accordance with UNH's size, but has only one vote in four when making decisions about those services. Most of the UNH percentage of the system costs is figured on UNH's budget share, except that the student information system's portion is shared between UNH and Granite State College and is based on enrollment.

A senator said that, because of its research mission, UNH is more expensive to run than the other institutions in the system; and he asked if UNH could reduce its contribution share to a pro-rata share of the number of students rather than the budget share. The VPFA said that there have been negotiations on the share calculations and that the process is much improved if not perfect. A professor asked if there could be a wider pooling of resources outside of USNH to gain further economies of scale. The VPFA said that could be looked into but is not likely to be workable on any broad scale. She added that internet services are easy to share; but the financial system is specifically built to work within the USNH environment; and the human resources data management system is as well. A faculty member asked if UNH could offer services directly to other institutions in the system instead of using the services in the system office. The VPFA said that might be possible, as UNH does that already with Granite State College and the internet.

A professor suggested that, since there are so few institutions in the university system of New Hampshire compared with many other states, having a chancellor's office may be top heavy. Another senator questioned why UNH has one vote in four on system decisions but pays almost three-quarters of the costs of the system. The VPFA said that UNH leaders regularly emphasize the distinct mission of the university compared to the other system institutions.

IV. ITAR and export control – John Aber, who is the vice president for research and public services, said that UNH needs to address the new regulations on export control. A letter is being sent to the deans and department chairs with information on frequently asked questions, and the Office of Sponsored Research has information about the export control situation on its website.

Taylor Eighmy said that export controls and embargoes are a complex set of Commerce, State and Treasury Department laws which control the actual or virtual export of sensitive technologies to foreign entities, which include both foreign countries and foreign nationals inside the United States. The export controls are just now being applied to the basic research community, especially after 9/11 and the USA Patriot Act, and mainly impact the engineering, space science, hydrography and submersibles, computer science, biomedical, encrypted software, materials science, chemistry, and microbiology research fields. Embargoes relate to the entire UNH community. Failure to comply may lead to severe criminal and civil penalties for individuals and institutions. There are many technologies, data and processes that the government may not want shared with other countries and therefore requires that an export license be obtained in advance.

Most universities are developing export-control management plans and are obtaining staff and legal counsel to deal with this issue. UNH formed a working group this summer in order to develop a compliance plan which would minimize disruption to university life. This group works on preparing policies for further discussion by the university community on classified research, openness in research, and access to research. The administration has shared information with the faculty union on these matters, which are very complex and are on a moving playing field. Victor Sosa will direct these matters in the Office of Sponsored Research. The Faculty Senate could participate in further formulation and review of the three formative policies, provide recommendations as to how best to notify the faculty as a whole about export control, embargoes and the management plan, and provide input about the development of faculty awareness seminars. John Aber said that large research-grant-funded areas will be dealt with but that we also need to interact on issues such as faculty attending meetings and sending emails abroad and other ways that the embargoes may affect the individual faculty researcher. Certain countries such as Cuba are embargoed by the federal government. Although some travel may be possible there, export of goods, services, funds and certain information which is not in the public domain may be prohibited.

Basic and applied engineering and applied research that is intended to be public may be exempt from the export control regulations; but if the information is about a precise technology and especially if that technology has been developed under a grant with a clause about export control, then the export control laws could apply. Faculty may check certain websites to find lists of embargoed countries and types of items embargoed, but that information may be separated in several websites. Certain congressmen are working to clarify or restrict the broad application of those laws. Since western Europe may not apply such restrictive legislation, these regulations may affect the ability of U.S. companies and researchers to compete for contracts.

V. Remarks by the chair – The senate chair said that he will email to the senators information on such items as shared governance and the provost's performance review and that the senate may discuss these matters at its next meeting.

VI. Minutes – The senate unanimously approved the minutes of the last Faculty Senate meeting.

VII. Adjournment – The meeting was adjourned.