Texas Tech University Faculty Senate
Meeting # 303, February 16, 2011

The Faculty Senate met on Wednesday, February 16, 2011 in the Senate Room of the Student Union Building, with Faculty Senate President Richard Meek presiding.

Senators in attendance were: Farmer, Kkvashny, Mills, Davis, Perl, Biglaiser, Boros, Borshuk, Christina Bradatan, Drager, Durband Fallwell, Harter, Held, Lodhi, McFadden, Mosher, Nathan, Rice, Stodden, Weinlich, Bremer, Pasewark, Ritchey, Hendricks, Janisch, Bayne, Helm, Lakhani, Leslie, Blum, Fowler, Sharp, Ross, Callender, Syma, Chambers, Bradley, Tate, Duffy, Dodds, Heinz, Kucera, Meek, Spallholz and Whitfield. Senators excused were: Cox, Rahnama, Schmidt, Surles, Crews, Darwish, Lakhani, Matis, Wang, Costica Bradatan, Gilliam, McArthur, Chansky, Santa, CM Smith, Wood, Ajlouni, Awal and Kelleher.

I. Call to Order:
Richard Meek, Faculty Senate President, called the meeting to order at 3:17 PM.

II. Recognition of Guests:
Faculty Senate President Meek recognized our guests: Kyle Clark; Vice President for Administration and Chief Financial Officer and Grace Hernandez Both from the President’s Office, Gad Perry; faculty member and AAUP President. From the Provost office: Provost Bob Smith, Valerie Paton, Rob Stewart and Gary Elbow. At today’s meeting was Matt McGowan from the Avalanche Journal, a Staff Senator (forgot to sign in) and Sandy River; the Faculty Senate Parliamentarian.

III. Approval of Minutes:
Faculty Senate President Meek called for any corrections or changes to the minutes to meeting #302 held on January 12th minutes were approved with corrections.

IV. Speaker: Mr. Kyle Clark, Vice President for the Administration of Finance and Chief Financial Officer.
Faculty Senate President Meek noted appreciation for the nice presentation he gave to the Budget Working Group.

Mr. Clark spoke to overall budget, with where we stand in the House and where we stand in the Senate. He had attended both House and Senate hearings on where they stand on Education. Kyle expressed willingness to answer any questions about the Budget Working Group and cover where we are with the State budget.

The University’s budget is $660 million. The education general funds, which are appropriated directly from the state of Texas, account for about $210 million, or roughly 32 percent. Designated funds account for $228 million, or roughly 35 percent. Restricted funds, from grants, contracts, etc., account for 14 percent. Auxiliary funds make up $127 million, and that is 10 percent of our overall budget. We used to have 45% coming from the state, but has since dropped to 35%. (PowerPoint will show enrollment compared to our funding).

In 2002, 45% of our budget came from the state budget, as shown in our Appropriations Bill. In 2011, 35.81% is coming now from the state budget. Our State funding has shrunk while other funding groups have increased.

Senator Julian Spallholz: is this decline in state funds reflected in a decrease in student generated hours primarily?
Kyle Clark: Yes, that does have to do with the number of students that we have. There are some years where student hours were not growing, and our state budget shrunk proportional to our peer institutions in the state. It also has to do with the way the semester hours are funded. For instance, in 2010 and 2011 they were funded at $62.19 per rated semester credit hour.

Kyle Clark: The current shortfall in the State of Texas is $4.3 billion, so we have had to return money to the State of Texas to cover this shortfall. There is $72.2 billion available for 2012-2013. The comptroller came out and provided her revenue estimate. The last biennium, there was $87.7 billion available for the appropriations bill. They estimate that it would have to be at $99.9 billion to cover the current number of higher learning institutions at its current rate with no growth. That is a $14.8 billion shortfall that is projected for the next biennium.

The budget that we are facing are two different issues. For the current fiscal year, we’ve had to return a 5% reduction, or $12.8 million, and we’ve also been told that we have to come up with another 3% in reductions, or $3.2 million and return that to the state. We know that we are facing additional reductions in the next biennium. It is important to remember this is on the State general revenue budget and just on the Education and General funds.

Each area of our departments has been given a reduction target, and the vice presidents decide how to achieve those reductions. The President feels we can be more strategic with the reductions, and there will be a much more strategic base for any reductions we have to face in the future.

Both the House and Senate have proposed budgets. Final bill will not be available for some time.

The university Special Items and Staffing budgets have been reduced by 25%. It also affects insurance, in that the state will change this to where 90% will be covered by insurance and we have to cover the remaining 10%, as opposed to the 2 ½% we were covering previously. Where it stands, we will have to come up with the difference to cover the costs of insurance for those individuals, where before we only had to come up with 2 ½%. It is a total of $150 million, and it covers a huge group of people, including faculty and staff. These are the E&G funds. We will not ask the employees to do that.

There have been multiple cuts in other areas, and it will be some time before we see the effects of these changes. It will have an impact on us as an institution.
Senator Julian Spallholz: Is it likely that benefits will be cut, that deductibles will increase?
Kyle Clark: We don’t buy your coverage, the State mandates what coverage is offered, however the insurance will affect all State of Texas employees, the same way that we did all here at Texas Tech.

Senator Lewis Held: Can you give us a ballpark figure of what that shortfall would come to?
Kyle Clark: It would come to a little over a million dollars. So that would be a million dollars that we would want to supply centrally to cover that shortfall.

Return to discussion of fiscal years 2010 and 2011 and the Legislative session for those periods. During that period, the State of Texas increased its General funds by 7.9%. Overall, an additional 7.9% was provided to higher education. Texas Tech saw less than 2% of this increase. 12.4% of those funds that were added that were new went to the University of Texas at Dallas. University of Texas at El Paso received 9.9%, the University of Texas at Houston 7.7%, University of Texas at San Antonio 5.3%. Texas A&M received 4.9%, and Texas Tech 1.9%, UNT 1.8%, and University of Texas at Arlington 1.7%. Austin is not on the chart.

When that happened, Dr. Bailey and the administration set out goals to try and help Tech achieve a larger part of that pie, how to rectify that and not have it happen again. One of the things that we needed to do was increase our enrollment and rate of semester credit hours, and he asked us to focus predominately on graduate students. The reason he asked us to focus on graduate students is that they come in at a higher level, but they help with research, they help out in the classroom, and a variety of other reasons.

We also wanted to evaluate the student mix and course offerings, to increase our externally funded research. We have had substantial increases to research and that is appreciated. Changes were also made to course codes so that they receive credit at higher rates.

Last Spring semester we had the highest enrollment that we’ve ever had, and this will pay off huge dividends for this year and for our Fall class next year. This will contribute to larger funding for us in the long term. There are seven other institutions striving to achieve Tier I and we are essentially competing against them for those funds.

Discussion of the line items: had a 5% reduction in all of these in 2010-2011, as required by the State. House and Senate are discussing a further 25% reduction, and chart was shown what this would look like if that passes. 13.9% of special items would drop to 9.8% allowed.

It is understood that all of the group care deeply about the reductions and the effects on the university. This is why Dr. Bailey set up the Budget Working Group that began work over the summer. They met every two weeks. There were over 25 recommendations, which were reported. Some have been implemented, some are being evaluated as to how to move forward on them now. Critical New Hire policy is a part of this. We have done an academic program review, and have 74 that were removed from the curriculum merged with others. Some of these have been phased out. Any of the shortfalls that we face will be strategic cuts, we will evaluate what reductions we are faced with, what revenue opportunities exist, and will go from there.

Senator Lance Drager: If you take the House and Senate bills, what is the percentage cut of our state funding of the total budget?
Kyle Clark: There is no answer at this time, all areas have not been reviewed. There is a larger percentage than has ever been, but believes it will continue in the next fiscal year.

Senator Carolyn Tate: We want better understanding of the state, the designated, and the auxiliary funding. So, the state money is independent of the tuition?
Kyle Clark: Absolutely. The State appropriates a certain dollar amount to us through Appropriations, we also have designated funds that are completely different, auxiliary’s that are completely different, and restricted funds that are completely different.

Senator Carolyn Tate: Where do the endowments fit into all this?
Kyle Clark: The endowments fall under the current restricted category.

Senator Isis Leslie: What kinds of things are the auxiliary funds?
Kyle Clark: The State budget, you know predominately where that comes from. The restricted funds come from grants and contracts, endowments, research grants, grants from the coordinating board, financial aid Pell grants, work study income. Then when talking about auxiliary’s, it comes from the housing and residence halls system, hospitality services, Athletics, and the Student Union. Those are the predominant players in the auxiliary budget.

Senator Carolyn Tate: So if endowments and funds make up about 14% of our budget, do you have a sense of what that situation is at UT, for example, what the restricted budget is there?
Kyle Clark: I do not have that, could calculate it and get to you. It is larger than what ours is. Our budget is roughly $200 million per year, and theirs is over $300 million. That is just E&G. I will get that and provide to the group.

Senator Isis Leslie: Can you define what E&G is as well?
Kyle Clark: E&G is the state appropriated dollars that we receive from the State of Texas. Designated is made up of designated tuition, fees that students might pay, interest income received, other revenue from different departments and things like that.

Senator Isis Leslie: How do textbooks get classified?
Kyle Clark: We don’t sell textbooks, Barnes and Nobles sells textbooks on our campus, but they provide revenue to the university for leasing their space in the Student Union center. The rent they pay is classified as auxiliary.

Senator Isis Leslie: Access fees that students pay for access to textbooks online, in addition to tuition.
Kyle Clark: Not contracted with the university. But will be happy to meet with the students and professors to get further information to determine how that is classified.

Senator Lewis Held: How much liquidity does our endowment fund have, can that be tapped into like a rainy day fund?
Kyle Clark: No. The endowment funds were given for a purpose, and are restricted for that particular purpose.

Senator Lewis Held: With regard to faculty salaries and raises, do they have to come from E&G? Can tuition supplement them at all?
Kyle Clark: If we were to go down that road, it would increase the benefits that we pay. One salary dollar on E&G would cost $1.30 on designated funds.

Senator Lewis Held: As the Avalanche Journal points out, tuition increases every year, why isn’t there some supplement to raises?
Kyle Clark: The tuition increases that we have made go into supplement the other initiatives that we have. Dr. Bailey is very passionate about salary raises, even though it will be very difficult to do it in this budget. When the economy turns around, it will be in the budget to do that.

Senator Todd Chambers: Was very shocked to hear that the football coach received a $500,000 bonus. How did that fit into the critical strategic hire? If a portion of our funds go to Athletics, how does that fit?

Kyle Clark: Athletics budget, they do receive some centralized support from the university. That’s $2.5 million a year that we provide to the Athletic department. Just as all of your departments have faced a budget reduction, Athletics has faced a budget reduction. The Budget Working Group and Dr. Bailey cut Athletics support by 10%. That $2.5 million has already been cut by 10% in this fiscal year. It is Dr. Bailey’s goal for Athletics to explore revenue opportunities, sponsorship agreements with other folks, to hopefully reduce that support from the university. The $2.5 million that they received from the university is roughly 5% of their budget. Ticket sales make up roughly $20 million, which is the largest revenue source for Athletics, at 41%. Football is a huge revenue for Athletics. If they had not been able to retain the coach, they would have potentially put the football support in jeopardy. In the current Big 12, Coach Tuberville’s salary ranked 10th. With his current new salary, he will be 5th among the Big 12 coaches. It is something coaches have in their contract to receive every year some type of raise. Believes that the mentality for Athletics was that they had to protect their asset, and if for some reason they weren’t able to retain him as a coach, what would happen to their recruiting class, and how would that trickle down to other sports. The ultimate goal is for Athletics to be self-supporting, on their own, where that $2.5 million will go back into the university. Football has to earn more in revenue in order to function in the black. They rely on the revenue that football produces. There are a lot of us to provide for Athletics scholarships. Some are covered through endowments.

Question: Regarding research income, or potential research income, President Bailey and the university is touting that we have to increase research and grant funding. Fact is that the State of Texas is cutting way back on their budget, Obama just came out with a huge cut, and the U.S. House and Congress want to cut even more. What impact is that on government grants?

Kyle Clark: Valid point, it is an uphill battle with state grants as it relates to the national budget. A lot that we receive is based on research expenditures. If we were to achieve Tier I status, there will be some sort of endowment, if you will, that we would receive on an annual basis for allocation.

Senator Julian Spallholz: On the federal budget, had heard that Pell grants were going to be cut? What is the income to the University from the Pell grants?

Kyle Clark: The President’s office does not have that information at this time. Some Texas grants have been cut, and will have to see what comes of that. There have been some reports that Pell grants will be increased. (Debate over this.)

Senator Julian Spallholz: Where do the 5% reductions come in the budget that accounted for the $12 million? What specific categories? No categories were shown where those cuts were made?

Kyle Clark: Each vice president was given a reduction target, Those reductions have already been implemented across campus. They determine in what areas they want to take that reduction within each college, and reduced their budget accordingly.

Senator Julian Spallholz: It looked like the loss to faculty raises accounted for about $3 million, is that a good ballpark figure?

Kyle Clark: Yes. To give a merit raise costs the university about $3.5 million. It depends on the department, and how they chose to make adjustments to hit that target reduction. If the departments wanted to provide a raise within their departments, they could still provide a raise, or whatever area they want to target. It varied on whether they took the reduction in the raises, or in travel, or delayed recruiting a faculty position, or other ways. It varied by individual colleges, and a listing is available of where the reductions were met within the college, but not by individual departments.

Comment by Rob Stewart: Under the current plans of assessment of reductions, they are underway. Every college has submitted its reductions to the Provost’s office within the last week. We are meeting with the Provost next week to recommend where we might want to make adjustments and the college plans, and so forth.

Rob Stewart: Outside of the colleges, where are reductions being made?

Kyle Clark: Every department that has E&G funding was reduced by 3%. Administration and Finance work structure is completely flat, many positions have been eliminated. It’s 3.2% essentially across the board, for each vice president.

Faculty Senate President Richard Meek thanked speaker for participation on the panel and how they made these decisions.

Faculty Senate President Richard Meek stated that the State of Texas and Texas Tech are faced with some critical times right now, and we all need to help out in that regard. All of us here at Tech are having to do more work, and the Administration is not exempt from that. Hopeful that this will reduce the amounts of layoffs we have to do in the future, which is why the Administration is using the critical hire process currently. Are also looking into ways we might be able to reduce utilities costs. If we could reduce our utilities, it’s an easy way to reduce our cost.

OLD BUSINESS:

University Council Community & Liaison support – Shane Blum: Academic integrity policy.

The committee provided a revised final draft. This is the policy that we want to have voted on today. Then the Academic Integrity committee will work on the procedural, one example is the letters that will be sent to students. The committee wants to come up with a draft, a benchmark for that letter so that every faculty member doesn’t have to write a different letter. After approval by the Faculty Senate, it would be submitted to the Board of Regents meeting. This draft has been vetted through the Provost’s office. The Student Senate approved it two months ago. Some minor revisions are all that have been made since then.

Senator Alon Kvashny: Asks if it is the committee’s report that we accept it as the final draft. It is. Seconded.

Senator Steph Harter: expressed appreciation her concerns in previous meeting were addressed and by her meeting with Senator Shane Blum to discuss them further.

Senator Robert Perl: mentioned typographical errors at bottom of page 16. Dictionary quotations on pages 12 and 15, and particularly on page 4 where there is a whole paragraph taken from the TTU quality enhancement plan should all be in some recognized bibliographic form. Much of the document cautions students to use citations, so believe this document should use appropriate citations as well.
Senator Shane Blum: stated he had failed to mention that in the draft distributed to the Faculty Senate, the acknowledgement on page 28 states that we took some information from Rutgers. Dr. Greg Elkins has sent this to Rutgers for their approval, as we don’t want to plagiarize our own policy on plagiarism.

Senator Alon Kvashny: Call for vote. Unanimous approval.
Under old business, the committee report on OP 32.09 has been withdrawn for further review and discussion. If there are any comments or questions, please see Senator Held or his committee.

NEW BUSINESS:

Senator Julian Spallholz: During Mr. Clark’s presentation, he mentioned that if the university had reached Tier I, it hasn’t. Just by chance discovered that the University of Houston has reached Carnegie Tier I research status, as reported in the Texas Medical Center News.

Also, about the raise received by the coach, I want to speak my mind. I was quite appalled to see Coach Tuberville get a 25% raise, half a million dollars, or something along that order. I would like to open it for discussion and voice my objections. Nobody in this room got a merit raise, as far as I could tell, and then we have a coach that gets a half a million dollar raise. The university is supporting the Athletic program to $2.5 million a year. It seems that the academic side of the community gets the short end of the stick. If I were Coach Tuberville, I would have turned it down, I would have been embarrassed that none of the faculty received a raise.

Senator Lance Drager: The raise comes from their ticket sales in part, and if they have access to it, there’s no way to transfer it to Academics. He’s not competing with us. If there was a way to transfer some of the surplus to Academics, that might be something to look into, but there isn’t now.

Senator Michael Farmer: They could apply some of the tuition and subsidies to that directly.

Senator Lance Drager: Then that would be worth Pres. Bailey having a hard talk with them about that.

Faculty Senate President Richard Meek: Have a number of people who have expressed that the department could pick that up and help subsidize it, but don’t see that happening.

Senator Lewis Held: Might be useful in the long term, but the Faculty Senate could serve as a kind of clearing house for monitoring the pain of departments, not being able to fill positions for example. We don’t always hear about these serious, critical issues. We could be vetting them. Especially with this Critical Hire committee, because it is tough to decide who gets to fill a position and who doesn’t.

Senator Michael Farmer: The question that was raised last time, and this may help you, we do have a committee that could monitor that. Excuse me, can’t remember the name of it. Also, that the cuts that Athletics are taking likely affect our unfunded student athletes, and we ought to hear about their pain as well. We need an additional committee which would focus on academic matters specifically, what’s happening as positions are cancelled or programs determined to be redundant.

Senator Daniel Nathan: I wonder where we rank in Big 12 faculty, as we know where Tuberville ranks.

Senator Wendy Ross: Misconception that we are being paid too much. I hear all the time that we get paid so much. It is relative. There’s always been this belief that in West Texas we are being paid too much when the wage is too low relative to the general population, and that is what we are fighting. We’re fighting the perception of the public.

Faculty Senate President Richard Meek: I believe we need to consider the suggestion of Senator Farmer and others and look into the possibility of such a committee.

Senator Sam Bradley: It’s bad public relations. Little things like the Budget Revision group. We have discussed possibility of a truly anonymous survey that you don’t have to log on to with your eRaider, so that honest opinions can be expressed.

Senator Lance Drager: As far as the Athletic department, it would be nice to know what they could contribute back to the Academic side.

Senator Bill Pasewark: there is a survey done by USA Today on how much Athletic programs receive from universities. Has it in an Excel file. Actually, $2.5 million is pretty low, compared to UT and A&M. It’s a very profitable program, but still takes money from the university. It has all the public schools on there, but not private ones, like Baylor; for the United States, not just for the State.

Senator Rich Rice: Lot of our discussion is on merit raises, not on cost of living increases. In fact, if our salaries stay the same, they are valued at less every year, because of not receiving cost of living increases. English gets $600 travel money each year.

Senator Bill Pasewark: You don’t want to make the cost of living an issue we might this year, because this year the consumer price index went down.

Senator Julian Spallholz: But health co-pays and insurance went up. Discuss how health insurance is not as good as you think it is. Much more is not covered today than was ten years ago. Would like to take notice of the suggestion that we have a committee that looks into a broader voice for us in terms of how we are hurting.

Other announcements:

Faculty Senate office will be moved soon to 126 Doak Hall.

Also suggested that nominations be prepared for Faculty Senate officer and those who are interested in running for a position.

Note that we have won the National Championship in debate again, we have several new Grand Masters with our chess club. The track team is doing wonderfully well, and our Van Appledorn New Music Festival featured four new music premieres.

The Texas Geometry and Topology conference is meeting here this weekend, funded by the National Science Foundation.

Adjourned.