

## Regular Meeting of the University Senate

November 20, 2003

Hahn Pavilion, Room 108

### Attendance

*Arts & Sciences:* Dobkin, Chair; Branch; Herrinton; Lewis; Loer; Nadkarni; Otto; Williams

*Business:* Ayers; Schubert; Smith; Starling

*Education:* None

*Law:* Horton; Kelly

*Nursing:* Ahern-Leymann

*Ex-Officio:* Cook; Drinan

*Representative:* Castanos; Gallant; Niederkorn

*Guests:* Paul Bissonnette; Gwendolyn Lytle

Dobkin opened the meeting at 12:20 p.m.

Senators observed a moment of silence and prayer in memory of Darrell Bratton, Professor, School of Law, who died recently.

### 1. Announcements

**a) Honorary Degree Candidate.** The Executive Committee forwarded Sylvia Earle to President Lyons for consideration as an Honorary Degree recipient.

**b) Report of the ACSD.** Horton reported that the Senate Ad Hoc Advisory Committee on Strategic Directions reviewed alternative drafts of the mission statement prepared by the Mission Subcommittee of the Strategic Steering Committee. The Senate Ad Hoc Committee prepared an alternative mission statement, which Horton distributed+. Dobkin said the Strategic Steering Committee will review the Mission Subcommittee mission statements on November 21 and will present a mission statement to the Board of Trustees on December 5.

Motion by Pachence, seconded by Kelly, that: THE SENATE HAVE A SPECIAL MEETING ON DECEMBER 4, 2003 TO DISCUSS THE DRAFT MISSION STATEMENT OF THE ACSD TO HAVE A RESPONSE FOR THE BOARD OF TRUSTEES ON DECEMBER 5, 2003.

Vote: Passed by voice vote.

Current ACSD membership is: Beth Dobkin, Liaison, (A&S), Doug Payne (A&S), Paul Horton (Law), Steve Starling (Business), Jaime Romo (Education), Nuring and SEA still to be appointed.

**c) Cabinet Meeting summary.** Dobkin distributed a summary of the November 18, 2003 Cabinet meeting.

**d) Strategic Issues Committee of the Board of Trustees summary.** Horton distributed a summary of the November 18, 2003 meeting of the Strategic Issues Committee of the Board of Trustees.

**e) Faculty Status Committee.** Horton reported that the Faculty Status Committee reviewed the faculty appointments policies of the College and schools. A report and recommendation will come next semester in accordance with the Senate's previous report of many years ago and in accordance with current policy and procedure manual. The Committee noticed that they are premised on the concept that they apply only to tenure track appointments. The Committee is considering including part-time, non-benefits based faculty appointment in policies that relate to existing faculty participation in.

## **2. Approval of Minutes of November 6, 2003**

Motion by Payne, seconded by Drinan, to: APPROVE THE MINUTES OF NOVEMBER 6, 2003 WITH THE FOLLOWING CHANGES:

- 1) p. 1, 1.b) delete the name of the honorary degree candidate.
- 2) p. 1, 3., end of the first sentence, move (ACSD) to second line at end of "Directions" to read: "...Senate ad hoc Advisory Committee on Strategic Directions (ACSD)..."

Vote: Passed by voice vote.

## **3. Presentation by Paul Bissonnette, Vice President of Finance and Administration.**

Bissonnette introduced Gwendolyn Lytle, Associate VP of Human Resources. Bissonnette gave a presentation of USD's endowment and the strategies to increase USD's endowment to \$500 million. USD's academic quality has increased but the Board imposed cap of 7,000 FTE students has financial implications because USD is tuition dependent for resources. Most institutions of USD's quality have substantially larger endowments which supplements scholarships, financial aid, operations, programs and quality of programs.

USD proposes to increase its endowment to \$500 million in 10 years by: 1) Charging the entering freshman class a higher tuition for the next two years. Tuition monies in excess of USD's base operations of 6% will be held in a quasi-endowment/trust account with no expenditures paid against it. 2) Bringing in \$50 million from the Capital Campaign (\$10 million a year for five years) toward the endowment. 3) Increasing alumni giving to a gain of 5% for 6-7 years. When the gap is closed with alumni giving with peer institutions, the gain will be about 2½% a year.

The USD general endowment has a spending rate of 4% and with market growth rate of 9½ %, a return of 5½% to the endowment is generated. Unrestricted gifts received will go into the quasi-endowment and receive 9½ %. USD spends a smaller percentage (4%) of its endowments than peer institutions.

Bissonnette welcomed comments and questions from Senators.

In response to Smith's inquiry that an increase in tuition may lead to a less desirable applicant pool, Bissonnette said that a study done recently by consulting firm Noel Levitz, indicated that there is a large, extremely good pool of students willing to come without financial aid.

Senators noted that the large tuition increase for entering freshmen for the next two years will cause undergraduate tuition to be larger than graduate and law tuition and that the quasi-endowment will be generated by undergraduate students. Also, as tuition increases the financial aid need will increase which may put a demand on the financial aid budget. There will be a need to admit more students with little or no financial aid need to resolve the \$7 million budget deficit.

Bissonnette said he will propose to the Board to admit a larger freshman class of 1100 rather than 1000 and have those students be full pay for three years, offset by the cost of faculty for those years, and then let it flow back out and come back to the normal size of the institution and capture those dollars for offsetting the deficit. Otherwise, there will be tough budget sessions for three years because of the deficit.

Motion by Herrinton, seconded by Lewis, to: SUSPEND THE AGENDA.

Vote: 16 – Approve; 0 – Oppose; 1 – Abstain. The motion passed.

#### **4. Motion Regarding Policy and Procedure Manual.**

Herrinton submitted the following motion in response to Lytle's recent email message regarding revisions to the Policy and Procedure Manual.

Motion for University Senate Consideration

According to its Constitution, Article III, Section 2, part d, the University Senate's jurisdiction includes "General policies regarding faculty status, such as morale, grievances, leaves, grants, awards, retirement, salaries, and fringe benefits." Thus, any changes to policies that cover faculty need to be submitted to the Senate for its concurrence prior to their adoption and implementation. Therefore, any policies referred to in Ms. Lytle's e-mail of 11/19/03 that affect faculty and have not previously been sent to the Senate shall be sent to it immediately for its deliberation.

Furthermore, because it is important that employees know what their benefits are, an e-mail notice that some benefits have been changed is woefully inadequate. At a minimum, the name of the policy being changed, the new and old policy language, and the reason for the change should be published in Faculty Newsnotes and the Staff Employees Association Newsletter as well as being e-mailed to all employees.

Lastly, the paragraph on updating the Policy and Procedures Manual in Ms. Lytle's 3-mail is silent on when newly adopted policies go into effect. If a policy goes into effect upon approval, then up to 17 months may occur between the effective date and publication date, i.e. up to 17 months when the Manual will inaccurately display the old rather than the new policy. On the other hand, if a policy is not effective until it appears in an update of the Manual, then up to 17 months may occur between adoption and implementation, which seems to be too long. The University Senate seeks clarification from the Administration on this issue.

Pachence speaking in support of the motion said the Benefits Policy Committee will seek a broader reading of the jurisdiction of the Senate to include reviewing all policies.

Lytle explained that policies required by law have immediate compliance and that other policies that are approved by January 1 will be effective July 1. Kelly emphasized that when policies must change to comply with current law, that the Senate is the body to prepare a well thought out policy. Horton recommended that all policies that go into the Policy and Procedure Manual should be passed by the Senate. The Senate is the most careful reviewing body and senators provide communication to faculty.

Vote: 18 – Approve; 0 – Oppose; 0 – Abstain. The motion passed.

The meeting adjourned at 1:47 p.m.

Submitted by,

David Sullivan  
Secretary

Peggy Agerton  
Recording Secretary