

Minutes of the Faculty Senate Meeting

January 28, 2013 McCormick Room 4:00 pm

Senators Present: Kristine Bartanen, Brad Dillman (Chair), Brian Ernst, Zaixin Hong, Kathryn Ginsberg, Judith Kay, Alisa Kessel, Kriszta Kotsis, Brendan Lanctot, Amanda Mifflin, Elise Richman, Amy Spivey, Maria Sampen, Shirley Skeel (Staff Senate Liaison), Ariela Tubert, Nila Wiese

Guests Present: Doug Cannon, Alyce DeMarais, Wade Hands, Sherry Mondou, Steven Neshyba, Jenny Rickard, Amy Ryken.

Call to order:

Chair Dillman called the meeting to order at 4:03 p.m.

Announcements:

Chair Dillman welcomed our three new senators: Amanda Mifflin, Ariela Tubert, and Ann Putnam. He noted that Putnam was at a conference today but would join us next time.

Vice Chair Kessel encouraged faculty to join the Board of Trustees for the informal breakfast buffet while they are on campus February 14-15.

Senators made self-introductions. Shirley Skeel of Media Relations noted that she was replacing Kelli Delaney as Staff Senate Liaison in the spring term.

Approval of the minutes:

M/S/P to accept the minutes from December 3 with minor revisions.

Updates from liaisons:

Hong reported that prior to the meeting, COD Chair Ryken sent the Senate, via Chair Dillman, the COD's revised and approved transgender health benefit motion for the Senate's endorsement (see appendix 1). Ryken was present to discuss the related agenda item.

Kay reported that the PSC raised a procedural issue in regard to the PSC's possible decision to bring to the full faculty a question concerning junior faculty involvement in evaluation for advancement of senior colleagues. Would such an item need to come to the Senate first? It was pointed out that it could, but that it was not required.

Budget Task Force presentation of budget recommendations:

Chair Dillman welcomed members of the Budget Task Force (BTF), who came to share their budget recommendations with the Faculty Senate and invite faculty to engage in the review and comment period.

The BTF faculty members, Professor Steven Neshyba (Chemistry) and Professor Wade Hands (Economics), brought a hefty stack of paperwork to the meeting, illustrating just a small portion of all proposals regarding the operating budget from across the university that the BTF considered under the leadership of BTF Chair Kris Bartanen.

Neshyba observed how the process for submitting recommendations on the 2013-14 operating budget worked. Starting in early October 2012, different divisions, including 18 campus groups/departments, sent in their proposals to be reviewed, and the entire campus community was invited to offer suggestions and comments regarding the budget. Each proposal was required to identify strategies to enhance revenues and/or reduce costs, and to make a strong case for any budget increase. Among the key budget drivers, Neshyba highlighted the BTF's goal of limiting the increase to the undergraduate tuition rate to 4% and the increase in financial aid for a net tuition increase of 1.9%. Regarding compensation, Neshyba mentioned that the BTF recommends a 3.9% increase towards the cost of benefits, considering insurance coverage as a big issue. Health care premiums are rising due to an increase in serious claims.

Hands said that the BTF deals with many issues and learned that all areas of the university have worked to seek cost-effectiveness and to increase revenue. The BTF's ultimate goal is to assure that our students will get the best education they deserve. That being said, Hands acknowledged that many cuts were necessary to balance the bottom line and to keep Puget Sound affordable for students. Neshyba said that it is important for the faculty to learn the reality of the situation in making budgetary decisions as administrators do. He added that through benchmarking, the BTF made comparisons to peer groups on several budget categories, keeping in mind the big picture. In particular, we have lost ground in recent years in terms of faculty salaries in comparison to national peers and Northwest liberal arts colleges; our salaries now stand at or just below the median. He shared the BTF recommendation of a 1.7% increase to the faculty salary pool, the amount needed to cover steps and promotions. He noted that the faculty and staff compensation pools comprise 71% of total Educational and General (E&G) expenses. He also observed that the budget was impacted by fewer faculty retirements, unlike last year which saw many full professors retire. Bartanen underscored the need for the university to be competitive in terms of faculty salaries.

Concerning "How do the recommended increases to faculty and staff compensation pools compare to inflation" (BTF Recommendation, p. 5), Kessel asked how the salary increases (1.7% for faculty salary pool; 1.0% for staff salary pool) relate to the report's statement that total compensation was increasing 2.1%, which approximates inflation. Vice President for Finance and Administration Sherry Mondou replied that these salary pool increases in combination with the 3.9% increase in benefits costs amount to a 2.1%

increase in the aggregate. Dillman noted the line in the BTF Recommendation (p. 5) “The BTF remains cognizant of the planning goal of increasing the faculty salary pool by inflation-plus-one-percent in order to maintain purchasing power and increase the competitiveness of faculty salaries”, and asked whether or not we have been meeting that planning goal in recent years. Neshyba and Hands noted that we actually exceeded that goal last year, but could not afford it this year. Bartanen explained the importance of modeling an increase above inflation to gain competitive ground, but that economic realities influence what we can actually do. Dillman further asked whether the planning goal of increasing the faculty salary pool by inflation-plus-one-percent is expected to remain the same in the future. Bartanen replied that the planning goal is 1% above inflation in our 5-year modeling. Mondou added that the BTF’s modeling begins with this assumption, rather than modeling what is left over, but ultimately it is influenced by available revenues. Sampen asked whether or not the revenue shortfall was due in part to the small class numbers of entering freshman in the in fall 2012. Bartanen explained that on May 19 Puget Sound will graduate a large class (entered as 721 freshmen); and seeks to enroll 665 freshmen in the fall, which is 10 fewer than our historical goal and 34 more than last fall. We plan to reduce the freshman class to 640 over 5 years, while increasing retention and achieving a higher graduation rate. Mondou indicated that the goal of reducing the discount rate for freshmen over the next five years to be closer to what it was 3 years ago will be a big challenge. As such, a Contingency Plan for 2013-14 is being developed to reflect the potential for a freshman class of 625, no improvement in retention, and no reduction in discount rate. If reality is closer to the assumptions in the contingent plan, we will need to cut \$3 million over three years, including \$1.1 million in 2013-14.

Mondou and Neshyba mentioned the exciting brainstorming session the BTF had for thinking about how best to achieve reductions under the contingent plan scenario. Mondou noted that public scrutiny of costs and value is a challenge facing all institutions of higher education. She noted that there are many changes afoot in higher education and mentioned, for example, the University of Wisconsin’s new competency-based model that gives credit for what students know regardless of where they learned it.

Neshyba addressed another point in regard to green initiatives, including a component of the ASUPS fee increase going toward a “green fund” and his interest in seeing the BTF consider use of a triple bottom line approach (people, planet, profit). Hands addressed the importance of considering new ideas, using examination of summer school possibilities as an example. Sampen asked whether summer school was a successful endeavor at Puget Sound—whether or not it was lucrative as it currently stands, and how to run it more efficiently. In response, Bartanen said it does contribute positively to the budget, but that student demand had waned in recent years with the smaller core and fewer part-time students and that faculty interest in teaching over the summer had also lessened. She suggested that any expansion might best be directed to unique offerings not available during the fall or spring. Mondou mentioned that the summer conference program uses facilities in the summer to create significant revenue, but most of the conferences don’t start until July when primary and secondary students are out of school, leaving June available for greater summer school use. Tubert suggested that summer classes might be

open to visiting students nationwide. Then Bartanen said that we need to do more advertisement. Mondou mentioned that student housing is not currently available, except for a pilot program for students doing summer research. It is also the case that the university needs time each summer to renovate residential spaces.

Bartanen mentioned another brainstorm idea that first year students take three courses their first semester rather than four in order to better prepare themselves for completing a successful undergraduate education, which would mean fewer course sections need to be taught. Hands thought that this could be an agenda item for academic advisors. Sampen agreed that this needs to be something advisors are made more aware of so that they can appropriately coach first-year students when selecting their coursework. Mondou added that freshman students arrive with more AP credits than in the past, which would be a consideration. Bartanen noted that we are facing the situation of needing some larger classes. Neshyba argued that perhaps to offer some online teaching will help handle this situation. It does not mean that we will become an online institution, but it is important for us to address the financial issue by exploring online teaching. Neshyba mentioned what his colleague Amanda Mifflin's alma mater is doing: Wellesley College became the first liberal arts college invited to join edX (the MIT/Harvard online learning collaboration) in December, and will be offering a few online classes this fall. Bartanen suggested that, rather than offering courses online, we will need to decide as a policy how many units of online courses Puget Sound will accept for a transfer student, how we will incorporate online material and methods into Puget Sound courses, and how we will consider the consumers of online teaching among our prospective students. Such strategic considerations can be discussed at the faculty meeting next week. Hands thought that there are more potential possibilities to create new revenue. Mifflin introduced that her alma mater, Wellesley College, has winter sessions for language enhancement, fieldtrips, etc., during a 4-5 week break. Hands mentioned the 3-1-3 teaching load when he started teaching at Puget Sound. He noted that although there were benefits to the winter session – the 5-day-a-week schedule allowed both students and instructor to explore unique material in an intensive learning environment – the 7-course load was a serious burden, and suggested that any winter session would need to be integrated into a 6 (or less) faculty teaching load. Sampen noted that teaching an additional winter session can be exhausting for faculty.

Sampen asked if international recruitment is part of the plan for making class size targets (i.e. meeting our goal of approximately 700 incoming freshman). Hands noted that there is an opportunity for liberal arts colleges to recruit internationally and particularly in places such as Hong Kong. He thought that there would be a similar opportunity in Europe. Hong agreed that liberal arts education in East Asia is marketable. He wondered why so many East Asian students go to TCC, PCC and PLU, not to Puget Sound. Jenny Rickard, Vice President for Enrollment, explained that liberal arts colleges like Puget Sound that are writing intensive have more rigorous English language entrance requirements. Oftentimes students will enroll in community colleges to learn English so that they can transfer to institutions like Puget Sound. Bartanen said that three groups, namely the Council of Independent Colleges, Annapolis Group and Phi Beta Kappa, are launching or have launched campaigns for liberal arts education in the market and

promoted it in new ways. Neshyba encouraged faculty to get more engaged in the enterprise, for making such decisions will show our independence should faculty want to see some real changes. The institution needs faculty to put their efforts in. He considered that one more thing faculty might want to know: there is a slow shift within liberal arts: science shows a sea change in student interest towards its curriculum, science faculty are overloaded with teaching responsibility, and his colleague from Oberlin College confirms similar trends. Having expressed his willingness to work in the BTF next year he hoped that the Faculty Senate examines such issues in particular.

Kessel observed that the Staff Senate has a Staff Compensation Committee that reports to the Senate. While the faculty have the Faculty Salary Committee, it is not tied to the Faculty Senate (and she noted that there may be reasons why it should not be), but the Senate could offer insight about the general sense of the faculty on questions related to budget cuts in the future. Bartanen noted that while working on a contingency plan, the BTF will consult with faculty on the issue. Mondou pointed out that the more important question for faculty to consider is the more strategic, long-term issue of how to offer this education for a price families can afford. Neshyba emphasized that this is the bottom line.

Bartanen noted that the BTF also makes recommendations to the President regarding one-time needs that require a funding source, but not an ongoing annual budget. There were two such requests this year: 1) \$13,000 to continue the pilot that subsidizes the writing handbook to students in the first year seminars and 2) \$3,000 for the National Survey of Student Engagement, which we participate in every three years.

Dillman noted that in public discussions about the rising cost of college tuition, many people incorrectly claim that the high salaries of professors are primarily driving rising costs. He said that some scholars looking at the issue have found that “administrative bloat” seems to be a more significant reason for rising tuition. At many institutions, administrative costs, including compensation for upper-level administrators, have grown at a much faster rate in recent years than faculty salaries. Dillman wondered what percentage of the Puget Sound compensation budget goes to faculty in comparison to staff and administrators. Mondou gave the related numbers: faculty compensation budget is \$28.4 million and staff compensation budget is \$29.5 million. She noted that the university has strategically added staff over the years in the areas of fundraising and student recruitment to bolster revenues and to offer various improvements in services that students and other campus members expect. But administrative overhead is proportionally low. Mondou noted that just as we monitor the student to faculty ratio, we monitor the student to staff ratio. At Puget Sound the ratio is 1 staff for each 8-9 students, while national peers have 1 staff for each 5-6 students, showing that we are more leanly staffed. Bartanen pointed out that Puget Sound allocates a smaller portion of its budget to institutional support than do its national peers, as shown in the university’s annual financial report on the web site. Kay asked about the number of FTE’s that are filled by student staff who do a great deal of work on campus. Some of them, for example, take the night shift security job which may influence their morning classes. Mondou said that there are about 1100 students who work on campus (equivalent to approximately 115 FTE staff).

In response to a question about other revenues, Mondou explained that annual giving has grown modestly during the campaign, but endowment values have taken a long time to rebound and that interest rates on invested working capital have remained at historic lows. Spivey asked about the role that the current 7-year capital campaign plays in the year-to-year finances of the university. Mondou replied that the campaign was taking place over several years and commitments were often made with 5-year payment schedules, so much of the impact is not immediate. Bartanen noted that \$63 million is the goal for the endowment, including support for financial aid and faculty chairs. She added that the campaign is also raising funds for construction projects.

Chair Dillman thanked the BTF representatives for sharing their recommendations with the Senate before they departed.

Bartanen then distributed a handout of the funded projects in Northwest Five Consortium 2012-13 Fund for Collaborative Inquiry Projects. The Projects includes Environment Science Workshop, Gender Studies Faculty Consortium, Neuroscience & Behavior Group, Sustainable NW Food Systems Summer Program, Visual Culture Colloquium, and Writing and Learning Peer Tutor Colloquium (see Appendix 2).

Transgender health benefits motion from the Committee on Diversity:

Chair Dillman said that after the last discussion on the transgender health benefits motion he received a revised version (approved by the Committee on Diversity on December 13, 2012) from Chair Ryken (see Appendix 1). He said that rather than voting by email during the break he thought it would be better to see if there was any more discussion today before the Senate decided whether to endorse the motion.

Ryken shared that the revised motion asserts the goal to include medical benefits coverage for hormone treatment, sexual assignment surgery and related counseling in support of the goals articulated in Puget Sound's Diversity Strategic Plan (DSP).

Dillman asked if there was a motion to consider endorsing the COD's motion. Kessel made the motion, Richman seconded. After the motion was seconded, Bartanen questioned what coverages are seen as elective. Ryken replied that what is covered would be articulated by the benefits provider and that those negotiations are undertaken by Human Resources (HR) and our benefits broker. She added that hormone treatment is cheaper than required surgeries, and that surgery typically comes after a significant time of counseling and discussion with medical professionals.

Kay raised a categorical question about including the Diagnostic and Statistical Manual (DSM) categories of "gender identity disorder" and "gender dysphoria" in the motion. She wondered, if we were to provide coverage for these two categories would other mental health disorders need be covered in future health benefits plans? Ryken shared her own personal discomfort with using DSM categories as labels, but shared that this language is consistently used by medical providers and by advocacy groups. She noted

that the long screening process regarding sexual reassignment surgery, the required counseling, and cost meant this benefit would likely be very rarely used. In regard to the category issue, Spivey asked if there are other low-use procedures or types of coverage that are routinely included in HR's negotiations with the university's insurers. Ryken noted that the COD was not given any specific costs for any benefits; all the pricing details are negotiated by HR and the university's insurance broker and not by faculty and staff members. Dillman said that while he generally supported the motion, others might prefer that the University prioritize other health care benefits (dental care, for example), and he wondered whether there is a concern that the Senate would set a precedent of prioritizing some benefit items over others. Kessel observed that the transgender health benefits motion is intentionally focused on enhancing Puget Sound's DSP to recruit and retain faculty and staff from historically marginalized groups. She suggested that we can strengthen the language of the motion to more directly assert its relationship to the DSP; therefore the endorsement is a recommendation to HR, but not a legally binding document. Kay mentioned that in the past severely ill staff members had been able to meet their financial obligations with colleague's unused benefits. Bartanen indicated that the short-term disability plan was designed to cover such need and replace such voluntary initiatives.

Chair Dillman called to vote. The Senate endorsed the motion of transgender health benefit from the Committee on Diversity with 12 ayes and 1 abstention. The motion was passed.

Chair Dillman postponed the rest of the agenda items (Campus Quiet Hours and Faculty Senate Handbook) until the next meeting. The meeting adjourned at 5:30 p.m.

Respectfully submitted by Zaixin Hong