Faculty Senate Minutes - January 19, 2001

USM Faculty Senate

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Faculty Senate Minutes
January 19, 2001


Visitors: D. Conville, Environmental Committee chair.

1. Call to Order. As the forum speaker had not yet arrived, the meeting was called to order at 2:05 p.m.
2. Approval of Agenda. The agenda was approved as distributed.
3. Minutes Approval. Minutes of the December meeting were approved as distributed.

Forum Speaker: Jim Borsig, Assistant to the President for Government Affairs

J. Borsig arrived at the 2:08. The formal meeting adjourned to hear his remarks and response to questions. A summary of key points follows:

The budget is the overriding issue of the legislative session. There is no other significant legislation affecting higher education. There will be much attention to corrections and other areas where ‘built-in’ costs are driving the budget in hopes of containing costs. By mid-February it should be possible to discern the basic outline of the budget.
Current funding. All three streams of state money provided the university have been reduced this year. 1. HB 400 money, one-time budget surplus funds, has completely dried up; this loss has been largely absorbed at USM by an earlier $1.1 million cut. 2. Revenue from a one-cent sales tax is "softer" than anticipated. 3. Spending from the state’s general fund, our largest source, has been reduced by the governor in face of revenue falling short of budgeted projections. The size of the shortfall keeps growing and now appears to be around $200 million. Further reductions in spending by the governor are anticipated. While education was exempted from the first round of cuts, state law requires the governor to cut exempted agencies 5% before further reducing other budgets.

Next year’s budget. Plans call for a 12 to 14% overall reduction in next year’s state budget. With a few possible exceptions (mental health, Medicaid match, K-12 teacher pay increase) all agencies will be cut. Budget issues will move to center stage after mid-February; we can expect extensive media coverage.

Overall the university system has done a good job of getting its story out. Results are not predetermined. Legislators are creative, and they are committed to education. Unfortunately the next couple of years look bleak, followed by a better projection for the long-term. Creativity will have to focus on controlling built-in costs. On the plus side, state revenues continue to grow at over a 3% annual rate; this rate is, however, less than was projected. Projections themselves are complex; they are based on history, with five different entities involved in making them. Projections have never been precisely accurate. Trend lines show that projections are usually within a 2% plus-or-minus range. In fact we are within that range currently; unfortunately, we are in the "minus" part of the range.

Questions for J. Borsig:

W. Scarborough: Why is it necessary to make astronomical cuts to education when revenues are still increasing? Borsig: We are undergoing reallocations within the base, due to commitments such as health care, corrections, adequate education, and the teacher pay raise. These are new expenses; to accommodate them, existing budgets have to be cut. Another reason is that debt service – payment on bonds for such things as new buildings for state agencies – has increased.

W. Scarborough: Where is the Nissan plant incentive money coming from? Borsig: Bonds have been used for this purpose. There is a general goal to keep interest payment within 5% of budget, to qualify for best credit rating.

J. Palmer: How much is in the state’s rainy day fund, and what restrictions are there on its use? Borsig: There is approximately $230 million in the fund. The governor may, in a year when revenue is not matching projections, draw up to $50
million from the fund. In fact the governor can take more, but then the simple interest is 100% and the amount taken plus interest must be repaid in a year. This is, however, a statutory requirement, and could be changed by the legislature. J. Palmer: How much is in USM’s own rainy day fund? Borsig: The university has some reserve funds, totaling perhaps $6 million, though most are earmarked for specific purposes. The Vice-President for Business and Finance could say with certainty the size and availability of reserves. Also note that some time back the board said it would not authorize use of reserves, but the feeling could be different now.

G. Stringer: Is there anything to the rumor that talk of budget reductions for higher education is designed to get Ayers plaintiffs to back off their settlement claims? Borsig: No, I do not think so. The legislature is trying to give structure to a very fluid situation. The leadership of the legislature is committed to higher education, but a balanced budget is required, and revenue projections suggest that enough money simply will not be there. The governor is focused on the current fiscal year, while the legislature is looking to next fiscal year.

D. Goff: Beyond set-asides coming to an end, what is the source of optimism about the longer term? Borsig: Continued economic growth, even at a modest rate, combined with controlling various built-in costs, should result in a much improved revenue picture in about three years.

J. Olmi: I do not feel much sympathy for our legislators; they put higher education into this situation. Their priorities are distorted. State revenues are up 3%, yet the university system is about to declare a fiscal emergency. Borsig: Again, legislators are grappling with a combination of factors – significant shifts within the allocation base, and revenues that are significantly short of projections.

A. Kaul: Is a faculty pay raise completely out of the question? If the state is committed to K-12, why abandon higher education? Borsig: There is no discussion of pay raises for higher education faculty at this time.

D. Cabana: You reference the commitment of the legislature to higher education, but I do not see it. Even the governor’s commitment is soft. M. Lux: Perhaps the leadership is committed, but support from the entire legislature appears not to be there. Borsig: I would agree that "commitment" is a relative term.

M. Dearmey: When can the governor access $50 million from the rainy day fund? Borsig: The governor can pull $50 million in each fiscal year that revenue falls below 98% of projections. Dearmey: So the governor might draw from the fund to cover operating needs this fiscal, then draw again for next year’s needs? Borsig: Yes, theoretically, but remember that revenue projections will drop for next year
given what we know now. In order to pull from the rainy day fund next year, actual revenue would have to fall below 98% of the new, lower projections.

G. Stringer: Has there been a major error in planning here? Are other states going through the same thing we are? Borsig: Other states are finding revenue down at least 1%. About ten states at this point have cut budgets. The only states doing better than projected are the energy producers. Stringer: It still seems that our projections have gone seriously awry. Borsig: The calibration of projections is not an exact science.

J. Smith: Does it make sense that we visit the legislature and remind them of our plight? A Kaul: And to remind the legislators that we vote? A. Jaffe: And that our students and parents vote? Borsig: The value of all those suggestions speaks for itself.

M. Dearmey: What about increasing taxes on gaming? Borsig: The idea is out there, but there is only minimal support for it. Tax increases are not popular. It took five years of bad budgets to get the one-cent sales tax for education passed.

W. Scarborough: I don’t see how you can remain optimistic given the new commitment to the school teachers, and the need to settle the Ayers case. Where is the board likely to go with the declaration of financial emergency when they meet in February? Borsig: I cannot predict what the board will do, especially since the picture may be quite different in mid-February. At the last meeting, Bill Crawford (chair of the board’s finance committee) made an impassioned statement that the board will have to pass the declaration.

R. Conville: Isn’t Crawford still an administrator at Meridian Community College? Pushing for a declaration of financial emergency for the higher education system would appear to be a conflict of interest. Has the board declared financial emergency before? Borsig: Emergencies have been declared for particular schools, for example, Valley in 1981, and Jackson State at some point.

M. Dearmey: A declaration of emergency will cut the throat of higher education in Mississippi. Students are already uneasy. As Pres. Fleming has said, we will lose good people, and new people will not want to come here. Underlying these cyclical crises is the number of institutions in the system. I would like to see us use a "blue ribbon panel" approach to planning for the reduction of the number of schools, as was done in New York State some years ago.

A. Kaul: Is it true that a declaration of financial emergency will damage the state’s bond rating. Borsig: It sounds logical, but I don’t know.

D. Duhon: What percentage of the total state budget is higher education? Borsig:
Education as a whole is 60% of the general fund. I don’t know the percentage of the total budget.

R. Conville: The general fund is only one-third of total budget. When talking about only the general fund it is easy to make it sound as if more money is going to education than really is. What part of the total state budget does the general fund make up? Borsig: The general fund is between one-third and one-half the total state budget.

E. Harrison: We’ve just mentioned students as an important potential political influence. But in addition to students in general there are numerous student organizations, such as the nursing student association, which might be mobilized to put pressure on legislators.

D. Cabana: An administrator from the community college system serving on IHL, and soon becoming board president, is clearly a conflict of interest, given that the two systems compete for resources, and at present one is suing the other. Also, there is a tremendous need for the university to address rumors related to the impact of these problems on employees. Insecurities about payoffs and layoffs are high and climbing. There is danger of one group being pitted against another. The president needs to come out early on how the financial crisis will be addressed, in order to avoid the kind of mess we had with the bi-weekly pay changeover. Borsig: We need to communicate solid information when we have it. A problem right now is the fluidity of the situation. The president will have a brown bag Tuesday after the board meeting, and a convocation is planned.

President Laughlin called the Senate meeting back to order at approximately 3:20 p.m.

4.0 Executive Committee Reports

4.1 President’s Report. Pres. Laughlin delivered the following report:

President’s Cabinet:

I emailed to all of you a report of State Economist Phil Pepper’s presentation at the Expanded Cabinet meeting on January 5th. The budget outlook for the remainder of this fiscal year and the potential cuts for next year are the primary focus of concern for the university right now.

The IHL budget was also the main topic of discussion at their meeting at Mississippi Valley State University yesterday. Although IHL has not been formally notified of any specific cuts, the assumption is that we will have a cut in the current year’s budget in March or April, and that there will be a substantial
reduction over and above that in next year’s allocation. Commissioner Layzell presented the Board with a draft resolution of financial emergency, which I believe will be passed at the February board meeting. Although there is some confusion about exactly what this entails, it does give the university presidents broad power to cut programs, reduce salaries, and to dismiss tenured faculty.

The University will need a strategy on how to deal with this by the IHL board meeting in mid-February. There will be a faculty, staff, and student convocation, tentatively scheduled for 3:30 on Tuesday, January 30th, to discuss these issues. Deans will be asked to talk with their department chairs and faculty in order to come up with plans for their colleges. The Cabinet, along with the university’s volunteer leadership, will review those plans.

The University will adopt a mixed strategy, which will require action by the university community, the IHL board, and the Legislature. This strategy may include things such as retirement incentives; phased reductions; accessing reserves; privatization; shortening semesters; varying/shortening work hours; tuition increases; consolidations/reorganizations.

Discussion related to the president’s report:

D. Duhon: Is there broad support on IHL for a declaration of emergency? Laughlin: There was little discussion. Bill Crawford asked the presidents how serious the situation was. Each president responded about dramatic cuts that will be necessary.

G. Stringer: In the ‘80s we faced a financial crisis, and President Lucas appointed a ‘priority team’ to discuss how to make cuts. Laughlin: I expect that we will do something similar.

B. Coates: What did President Fleming say about cuts here? Laughlin: He spoke generally about the difficulty of recruiting and retaining faculty, the loss of students, and the impact on the community economy – no detailed specifics on what might be cut.

M. Lux: Did other presidents speak up? Laughlin: Yes, there is no one saying now that this will be easy to get through.

M. Dearmey: AAUP has established guidelines for responding to financial crises. A president may not really do whatever he or she likes, even with a board resolution of emergency. We can speculate that the safest professors are those with 10-20 years of experience and tenured. Those with 25 years will be urged to take retirement. Most vulnerable are untenured faculty. Further, tenured faculty must be given notice one year in advance of a termination of contract, even in the case
of program elimination.

D. Duhon: Employent law and related case law specifies proper procedure in such cases. As a senate we should oppose any declaration of financial emergency.

D. Cabana: The resolution of emergency accords broad power, so it is good to know that there are some case law limits of executive discretion. I agree that the senate should go on record opposing the declaration except as an absolute last resort.

J. Smith: The immediate problem is the remainder of this fiscal year (through June 30). For next fiscal year, a tuition increase is likely, and will help to maintain revenue. Would a state of emergency be time limited? Laughlin: I believe the declaration would extend only to June 30.

J. Rachal: Would an invitation to early retirement include giving additional years toward retirement? Laughlin: That has not been suggested so far.

M. Dearmey: Will there be a reduction in the size of the administration? I don’t believe that we should give up anything without reductions in administration.

D. Goff: When we went through reductions in the ‘80s, one problem was that the process began with certain ideas already in place; it was not an open process. If we must do this again, the process must be better.

A. Jaffe: What can be done as late as March to save significant amounts of money for the current fiscal year? [Comments by numerous senators underscore the enormous challenge involved.]

D. Duhon: It will take the system ten years to recover from a declaration of financial emergency.

J. Smith: We can anticipate a "melt down" of junior faculty.

J. Olmi: We are already losing faculty who will not be replaced. [Comments from numerous senators make the same point.]

D. Cabana: We should take a position against even discussing staff and faculty cuts until the leadership addresses cuts in administration.

D. Dunn: The Office of Technology Resources should be cut, if the alternative is to reduce faculty lines. It makes no sense to have new technology but no faculty to use it.
M. Dearmey: What is the current level of spending on technology upgrades? Will earlier rates of spending be sustained?

T. Graham (Technology Committee chair): I am expecting a report from S. Montgomery, which I will share with the senate next month.

M. Cobb: Any resolution from this body should state emphatically that academics is the last place to cut.

J. Smith: No more than half of any reductions should come out of instruction.

G. Stringer: I recommend authorizing the executive committee to compose an open letter itemizing the damage we expect from cuts, both short and long-term damage. We need to get into the public arena and encourage others to do the same.

Rachal: I agree, though a resolution opposing a declaration of financial emergency would be completely in line with statements President Fleming has already made.

Laughlin: I keep hearing about the importance of avoiding any appearance that we are turning against ourselves.

D. Duhon: How about charging the executive committee with drafting a public statement to the effect that a declaration of financial emergency by IHL should be the absolute last resort in responding to these reductions?

M. Cobb: What is the difference between acting with and acting without a declaration of emergency?

S. Laughlin: A major difference is that a declaration of emergency allows for the voiding of employment contracts, including the dismissal of tenured faculty.

D. Alford: I am in favor of a clear statement that IHL should not declare an emergency.

D. Cabana: We can support the administration on this and still argue an emergency declaration should be a last, not a first, step in responding to the financial crisis.

M. Miller: I am concerned that we not make public statements suggestive of disaster. Such a tone plays poorly with the public.

A. Jaffe: There are two issues involved here – our public stance, and our internal
reaction. Whether or not we say anything publicly, if we are facing an emergency, we must respond to reality. We should be clear that everything has to be looked at.

G. Stringer moves that the executive committee draft a press statement urging IHL to take every measure before declaring a financial emergency. D. Duhon seconded the motion.

Discussion on the motion:

M. Dearmey: We should make a statement that the board should not undo twenty years of legislative investment in higher education.

D. Cabana: I am wary of what the media will do with whatever we come out with. My preference is to deal internally first.

W. Scarborough: The authority does not rest here. The president has no authority regarding this declaration. Going to the press can only be seen as support.

K. Davis: Yes, the president will see this as support because he does not want the emergency declaration.

A. Kaul: We disadvantage ourselves by being silent. We simply have to take the risk of being misunderstood.

J. Smith: Is there a procedure for getting a faculty representative to speak at an IHL meeting?

Pres. Laughlin: No.

J. Smith: Perhaps we should both get a statement out and ask to speak to the board.

D. Duhon: The board has requested input on various issues from faculty, but we are confusing external and internal responses here.

Pres. Laughlin called for a vote on the motion. The motion passed with one "no" vote. Pres. Laughlin requested that the executive committee remain after adjournment to decide how to execute the motion.

M. Dearmey: Has there been reaction from other universities? The board would be unlikely to act to declare an emergency over the opposition of all the universities.

D. Alford: Why not call a press conference to go along with a statement?
J. Smith: That is indeed how you get attention – by raising your public/political profile.

D. Cabana moves that the senate hold a press conference. W. Scarborough seconds the motion. Discussion on the motion:

J. Olmi: People would need to show up.

A. Kaul: We don’t need that many people, but arrangements with the press have to be made in advance.

D. Cabana: We should seize the moment. We can get on television here and on the coast pretty easily.

J. Smith: President Fleming has signaled us to move on this. Presidents are more constrained than are the employees.

D. Dunn: There is positive support; the Hattiesburg American has been running editorials on the economic impact of reductions at USM. The Coast 21 group recognizes the same thing.

Pres. Laughlin called for a vote on the motion, which passed unanimously.

M. Dearmey: Whatever became of our recommendations on the grievance process that we generated last year? Pres. Laughlin: The grievance process is to be folded into the faculty handbook; next week D. Goff and M. Forster are meeting with Associate Provost McMahon on handbook revisions.

4.2 President-Elect’s Report. No report.

4.3 Secretary’s Report. No report.

4.4 Secretary-Elect’s Report. D. Alford read the proxies received. [See "Members Represented by Proxy," above.]

5.0 Committee Reports.

5.1 Academic and Governance. No report.

5.2 Administration and Faculty Evaluations. K. Davis reported that she had heard from an assistant dean with concerns about the applicability of the dean’s evaluation form to assistant dean positions. Davis responded that the committee would consider a distinct form for the future, but that for now the best approach is
for faculty to cross out inapplicable items and add narrative comments for things not covered by the form. Other feedback about the current forms is welcome.

5.3 Archives. No report.

5.4 Athletic Liaison. No report.

5.5 Awards. No report.

5.6 Faculty Welfare. Consideration of a resolution regarding restoration of a Human Resources Benefits Manager, introduced last month, was tabled. [See 6.1, "Old Business," below.]

5.7 Constitution and Bylaws. R. Smith was not in attendance.

5.8 Elections. No report.

5.9 Environment. No report.

5.10 Faculty Development. No report.

5.11 Government Relations. J. Smith reported that two bills (HB 927 and SB2293) authorizing use of tobacco litigation money to subsidize public employees health care costs are working their way through the House and Senate. HB 927 has been referred to both the insurance committee and the appropriations committee; SB2293 has been referred to the appropriations committee. Senators are urged to call chairs and members of the relevant committees. [Senators should refer to the legislative handbook prepared and distributed by the Government Relations committee for names and numbers.] Smith further suggested that faculty approach the legislature en masse and talk to legislators about our plight.

J. Olmi: Let’s pick a date and talk it up among faculty.

A. Kaul: If we chose February 27, there may be time to get other faculty senates involved.

D. Cabana: The earlier we publicize a date, the more likely we are to get student support. There is an increasing concern among students; we can find support there.

J. Rachal: How about the Student Government Association? Pres. Laughlin: SGA is active; I would expect support there.

J. Smith moves that Mardi Gras [February 27] be a faculty demonstration day at the capitol. D. Cabana seconded the motion.
Discussion on the motion:

J. Olmi: Let’s use the facsen listserv to release information, and have senators distribute it to other faculty.

The motion passed unanimously.

5.12 Technology. T. Graham reported that the Web Presence Council wants input from faculty on the prospect of outsourcing USM website maintenance to a web portal provider. Such an arrangement would provide a consistency of "look" to the website and free email. The tradeoff would be some commercialization of the site via advertising and links to various commercial sites.

B. Coates: If there is no cost for maintenance now, why change?

T. Graham: The Office of Technology Resources now shoulders the website cost. Outsourcing also offers the possibility of raising money. I will send a note to the facsen listserv, including links to the sites of other universities using the service.

G. Stringer: We should fully understand and take a position on this issue before OTR decides on its own. I have grave concerns about commercialization.

T. Graham: At least the Technology Committee of the senate should see a demonstration before any decision is made.

5.13 Transportation. W. Scarborough reported on a recent meeting of the university transportation committee. Highlights from the meeting include:

- One lot and part of another will be rezoned to a Zone 4.
- Suggested parking regulations, drafted by R. Pierce, are headed to the president’s cabinet.

Some items included in the regulations are:

* Everyone will be billed a parking registration fee, with hangtags issued to everyone billed; every vehicle must have a permit; a single hangtag may be used on more than one vehicle.

* You may sign a statement that you have no vehicle to park, but violations will then net double fines.
* Parking enforcement will begin on the first day of classes.

* Five or more citations, paid or unpaid, is the threshold for towing or booting of vehicles with hangtags; three citations are sufficient to tow or boot a vehicle without a hangtag.

* Ticket fines will go up – $20 for the first three tickets, $40 after that. The fine for booting or towing will be $70, with a $10 per day storage fee for towed vehicles.

* There will be an increase in the faculty parking fee of $6, tied to enhanced enforcement.

There will be advance publication of the new regulations once approved.

W. Scarborough moved that the senate endorse the proposed increase in the faculty fee. J. Rachal seconded the motion.

**Discussion on the motion:**

A. Kaul: The $6 is not the issue, but rather that the university has no credibility on enforcement at this point.

W. Scarborough: I believe that Pierce is sincere about stepped up enforcement.

D. Dunn: My concern is that the money will not be used for enforcement, but for hiring yet another investigator.

D. Duhon: The increase itself is not the issue. This is just a bad time to be asking for anything more from faculty or staff.

D. Beckett: The last increase brought no better service. Perhaps we could tie an increase in faculty salary to support for an increase in parking fees - say a percentage-to-percentage match.

W. Scarborough: The Staff Council has voted not to support an increase. I do think that the university should be give one last chance on this, however.

D. Cabana: There is currently no enforcement in certain areas of campus; we need a shift to ‘targeted enforcement.’

2. The motion **failed**.

**5.14 AAUPLiaison.** M. Dearmey passed out two pieces of information from the AAUP policy book: 1. General guidelines for fair procedures in financial crisis, and 2. A description of the recommended role of faculty in budget and salary processes. Dearmey argued in favor of the election of faculty budget officers or a faculty budget committee that receives financial data and tentative plans from the president and is empowered to give feedback and make recommendations. Dearmey also drew attention to a recent issue of AAUP's magazine, *Academe*, which included a large section on the plight of part-time instructors. Dearmey reminded senators that two years ago the senate recommended increasing part-time pay. The administration agrees that the current level of compensation is unjust, but thus far has taken no action on the matter. Dearmey recommended formation of a committee or subcommittee to study part-time instructorship at USM.

Pres. Laughlin directed the Academic Governance committee to take the issue of part-time faculty under consideration.

**5.15 Faculty Handbook Task Force.** D. Goff reported an upcoming meeting with Associate Provost McMahon to review recommended changes to the handbook.

**5.16 University Faculty Senates Association (UFSA).** A. Kaul reported on a joint December meeting of UFSA and the state staff council organization (MASCO). The joint UFSA/MASCO meeting considered but took no formal action on a resolution (distributed to senators by Kaul) endorsing the IHL proposal for 4% salary increases for faculty and staff for the next three years, supporting the principle of annual salary increases for faculty and staff, and urging Gov. Musgrove, Lt. Gov. Tuck and the Legislature to commit to annual raises to bring Mississippi salaries to the Southeastern average. UFSA earlier endorsed the resolution, which was sent to the governor, lieutenant governor, and key legislative committee chairmen. The USM Staff Council at its January 2001 meeting endorsed the resolution.

Kaul also read a letter from the MASCO president indicating that, on the advice of Pres. Portera, it will not support a salary resolution at this time. D. Duhan suggested, and D. Cabana agreed, that Mississippi State and Ole Miss see themselves in a different game, and do not wish to ally with certain schools.

Kaul further reported: 1. that he will attempt to get the senate association on board with the Mardi Gras demonstration at the capitol. 2. that the Mississippi Association of Educators is committed to talk with the state senate association about a relationship. MAE and the National Educators Association is interested in
organizing higher education. Pres. Laughlin noted that NEA is sending her and president-elect S. Hubble to a conference in San Diego in March.

Kaul argued that faculty must get organized and vocal, and suggested that it may be time for Mississippi faculty to consider unionization. Public school teachers are ahead of higher education faculty because they are organized and spend money on lobbying decision makers.

M. Dearmey and J. Smith noted that Mississippi currently has no legal framework for collective bargaining with faculty, but there remains much opportunity for political activism.

6.0 Old Business.

6.1 Resolution on restoring benefits manager. Tabled.

7.0 New Business. There was no new business.

8.0 Announcements. Two upcoming meetings were noted: a February 13 presentation by the Public Employees' Retirement System on benefits and options; a February 18 technology conference to be held at the Hattiesburg Convention Center.

9.0 Adjournment. The meeting adjourned at 5:02 p.m.

Minutes prepared by Michael Forster, Faculty Senate Secretary