

University of Idaho
FACULTY COUNCIL MINUTES

2003-2004 Meeting #21 Friday, April 16, 2004

Present: Wagner (Chair), Baillargeon, Burnett, Chandler, Dockrey, Exon, Gunter, Lillard, McGuire, Pikowsky, Pitcher, Voxman (w/o vote), Woolston, Zemetra

Absent: Bailey, Cloud, Fairchild, Guenther, Reese, Rosholt, Rinker, Morgan, Young

Observers: 6

Call to Order. A quorum being present, Faculty Council Chair Wagner, called the meeting to order at 11:32 a.m. in the Brink Hall Faculty Lounge.

Discussion of Fiscal Issues Facing the UI. Chair Wagner said the purpose of the meeting was to enable the Council to learn more about UI fiscal problems and to ask questions of Provost Pitcher and Executive Director of Institutional Planning and Budget, Wayland Winstead. Provost Pitcher began the meeting by calling attention to two major on-going activities. First, he stressed the importance of developing strategies for dealing with the \$5,000,000 FY05 gap. In this regard, he said that three weeks ago there had been a proposal to increase both the holdbacks for the RCM centers and the G&A rates. Since that time a variety of other proposals have been considered including furloughs, lag pay, and additional internal borrowing. An ad hoc committee, chaired by Pat Sturko, favored the lag pay option; however, the more this option was investigated, the less appealing it has become. Pitcher invited further discussion of possible options. He said that a decision on a course of action would most likely be made the week following this meeting of the Council. He also said that the current options represent simply a bridge for dealing with the widening historical gap that must be addressed in the near future. Wayland Winstead stated that the FY06 budget will be even more difficult to handle as it is anticipated that there will be little or no funding for enrollment workload adjustments, MCO, etc., due to the likely sunseting of the temporary 1% sales tax increase. The second major activity referred to by the Provost is the creation of the Vision and Resource Task Force. The Task Force will be charged with taking a longer term view of the university and will make recommendations as to what the UI should and can be. The Task Force will work with incoming president White in setting future priorities.

Winstead said that causes of the current gaps are part the result of the denial of the UI request to seek increased student fees and the legislature's failure to fund MCO and provide sufficient funding to cover the costs of the mandated 2% salary increases. In response to a councilor's question he said that the FY05 fiscal impact of the Idaho Water Center would be about \$1,700,000. Chair Wagner pointed out that there was also a loss to the UI of \$1,800,000 from the UI Foundation as well as approximately \$600,000 in lost interest. Responding to a councilor's request, Winstead said that he will soon distribute lists of deficits that have accrued over the last several years. The Provost observed that deficits have been a part of the UI scene for many years. On his arrival seven years ago he found that there was a \$3,000,000 gap. This gap was subsequently reduced somewhat, but then began to grow again. In response to Councilor Lillard's question Pitcher said that at present no program cuts are anticipated before the arrival of President White, though there will be some administrative restructuring and certain Ph.D. programs in education at Idaho Falls are scheduled to be phased out over the next three years. He also said that managing the \$5,000,000 FY05 gap may lead to fewer course sections offered, some layoffs, and a reduced number of hires; he does not foresee program closures at this time. Winstead indicated that there may be increased teaching loads in some colleges.

The Provost then gave more details regarding the Vision and Resource Task Force. He said that the committee will be appointed by White in cooperation with himself and President Michael. Pitcher will continue to work with an ad hoc committee consisting of the Faculty Council leadership, two deans, and staff and student representatives in determining candidates for the Task Force. The Task Force will consist primarily of faculty members (including department chairs) but will also have staff and student representation. Pitcher said that the deliberations of the Task Force will most likely be confidential. The Task Force will be in contact with President White during its deliberations and will forward its recommendations to White by August 1. White can then make modifications to the recommendations, after which he will seek input from various UI committees such as the Faculty Council as well as from many other groups and individuals both on and off campus. Once the input has been taken into account a "packet" of recommendations will be sent to the SBOE for its consideration at its December meeting.

Questions then arose concerning the possibility of lag pay. Winstead said he was uncomfortable with this approach because it would create future liabilities. Pitcher added that the lag pay appeared to have a number of drawbacks and consequently more attention was being given to holdbacks and/or furloughs. He emphasized however that holdbacks and/or furloughs represent a one time response to a long-term problem. The Task Force will need to explore more permanent structural adjustments to restore fiscal integrity. Winstead added that the fiscal problems have been created over more than two decades and they won't be solved in two years. Chair Wagner thought it likely that a combination of furloughs and holdbacks would be used to address the immediate budgetary problems.

In response to some data presented by Councilor Gunter, Winstead emphasized that matriculation fees do not go into instruction but to some extent are used in other areas to free up money for instructional purposes. However, there is a limit as to how far this process can go. The Provost pointed out that for the first time more UI expenditures are in the area of research than in instruction. Councilor Dockrey asked about the status of the proposal to eliminate Studio Arts. He was informed that consideration is still being given to an alternative plan, but no final decisions have yet been made. Councilor Pikowsky asked what would happen if there are further holdbacks. Winstead said it would be advisable to have a contingency account which could be used to help pay off the deficit, if no such holdbacks occurred. Councilor Woolston asked what efforts have been made to muster alumni support. He wondered if alumni are aware of the gravity of the current situation and of the possibility of seriously damaging the Liberal Arts. Pitcher said that work is being done to ensure that Foundation members and other alumni are informed about the current state of the university. President Michael continues to seek funds in selective areas. As yet, however, there has not been a large groundswell of private financial support for the UI. It was pointed out that because the alumni association is funded in part by the UI, it cannot act in a lobbying capacity. It was suggested that contrary to current practice, UI newsletters include information about the challenges facing the university in addition to extolling what is going well. The meeting concluded with some discussion about the timing of the work of the Vision and Resource Task Force and the subsequent steps to be taken before proposals are sent to the SBOE. Councilor Lillard's efforts to adjourn met their customary success, and the meeting was adjourned at 1:04 p.m.

Respectfully submitted,

Bill Voxman
Interim Secretary of the Faculty Council