



OAKLAND UNIVERSITY SENATE

OAKLAND UNIVERSITY SENATE

First meeting
September 19, 2002

Minutes

Members present: Alber, Aubry, Bazaz, Bertocci, D. Berven, K. Berven, Coppin, Downing, Eberly, Eberwein, Etienne, Gardner, Graves, Grossman, Hansen-Smith, Haskell, Henke, Hildebrand, Khapoya, Latcha, LeMarbe, Long, Machmut-Jhasi, Mann, Mosby, Moudgil, Osthaus, Papazian, Polis, Rozek, Russell, Schmidt, Schweitzer, Smith, Stamps, Vincent, Willoughby

Members absent: Blanks, Clark, Didier, Frick, Goldberg, Haddad, Jarski, S. Klemanski, McNair, Mukherji, Olson, Otto, Schott-Baer, Schwartz, Sethi, Surrey.

Summary of actions:

1. Report and update - President Gary Russi.
2. Information items: Cooley Law School update; General education update; Senate committee administrative title changes.
3. Approval of minutes for March 14, 2002 (Downing, Graves) Approved; April 11, 2002 (Eberwein, Latcha) Approved; April 18, 2002 (Latcha, Mann) Approved; and May 2, 2002. (Latcha, Russell) Approved.
4. Procedural motion to staff Senate standing committees. (Coppin, Stamps) Approved.

The Provost called the meeting to order and welcomed the Senators and guests to another academic year. He then introduced President Russi who reported on the state of the university.

President's Report

Mr. Russi began by expressing his pleasure at being invited and then began a [presentation](#) outlining budget matters and the challenges facing the institution. He opened by stating that the fiscal year 2003 budget process was an open and consultative one, that it was well publicized at all levels and that details of the process have been on the web. The department chairs worked with their faculty, the chairs with the deans, to develop requests and the deans then assigned priorities before the requests were submitted to the Provost. Each level included feedback, so the deans told all the chairs what priorities had been chosen. He noted that the centrality of Academic Affairs goes beyond the general fund support since other areas also support and improve the academic climate. He summarized the sources of revenue available to the university and the driving forces that have influenced where the money is allocated, influences such as the *Strategic Plan, Creating the Future*, and the recently approved *Profile 2010* (also sometimes referred to as Vision 2010 during the presentation). He then displayed charts showing allocations of funds and a comparison of state university appropriations which

indicates that OU has done better than some of its peers in getting money from Lansing. He felt that, even though the state is proposing a 0% increase, this was actually a positive statement of the state's support of education since many other states have found it necessary to cut higher education allocations. His presentation then continued with information on grants and contracts, partnerships, budget incentive programs, student course fees and continuing education initiatives, emphasizing that academic units benefit from the funds generated. He highlighted some of the new programs as providing opportunities for students and increasing OU's visibility in the state and region.

A key feature of the future, stated Mr. Russi, will be the Capital Campaign, the first comprehensive all university campaign for Oakland, adding that they are moving quickly to get it started. A [folder](#) with background information was distributed. Mr. Russi highlighted [Tab 3](#) which delineated new base allocations and [Tab 4](#) which presented a less than rosy overview of the state revenue situation. Mr. Russi called special attention to the last tab which focused on the state budget situation and a [list of values](#) that were developed as a guide to budget management. The list of values (managed growth/faculty support, quality, distinctive undergraduate programs/general education, collaborations & partnerships, capital campaign, student services/retention, graduate programs-grants & contracts and IT support) represents a draft and he asked for Senate feedback on those particular values and the priorities that have been assigned to them. The fiscal situation in Michigan is one of declining revenues and there is the likelihood that there will be a budget rollback in the state's next fiscal year (10/1/02-9/30/03). We need to be prepared of a possible reduction in money coming from the state and to find ways to respond to the reduction and so have prepared by identifying certain guiding principles and values. If the economy improves, this may not happen but most don't think that's likely. He concluded by stating that all in all, Oakland is doing very well but we need to be prepared if the state deficit gets as bad as predicted. He then opened the floor for questions and comments.

Mr. Stamps asked how enrollments looked this fall, since bad economic times often lead to increased enrollment. Enrollment is up to about 16,028 this fall, responded Mr. Russi, compared to around 15, 800 last fall. Mr. Polis commented that as enrollments grow, so do revenues. Ms. Surrey pointed out that increased enrollments require additional faculty and Mr. Russi agreed, noting that \$1.5 million dollars have been allocated for new faculty hires. Mr. Russi also pointed out that the Board of Trustees established a rainy day fund of \$1.2 million dollars a few months ago, in anticipation of the financial situation that may develop. Depending on how severe the cut to our allocation is, and the anticipated adjustment is in the 5-7% range, the rainy day fund will provide some funding for the reduction. Mr. Henke raised a concern about the growth in enrollment causing increases in class size, problems with parking and traffic flow, noting that we don't have the infrastructure in place to handle this growth. He felt that the traffic and parking were generating negative attitudes, not a good situation for a university interested in marketing itself and also was worried about how the institution would be able to deal with an emergency if the campus had to be evacuated. Mr. Russi agreed that these issues needed to be addressed, reminding the Senate of the gridlock that occurred when the university closed down on 9/11/01. He has appointed a Task Force^[1] to look at the options and to figure out ways of dealing with the traffic problems such as those we encountered that day and to consider other options such as re-routing some traffic, one way streets, exercising some control over the traffic lights at the campus entries. The President completed his remarks, the Provost thanked him for his report and then provided a brief update to the Senate on the status of Cooley Law School.

Cooley Law School

Mr. Moudgil began by reminding the group that the Cooley Law School issue came up at the last Senate meeting and that approval had been received from this body to move into that area. Cooley now has one class meeting weekday mornings in Elliot Hall. The Provost announced that he had appointed two *ad hoc* committees: one to consider the academic implications and the possibility of shared programs with Cooley, specifically programs dealing with taxation and intellectual property; one to consider the technology, space and capital needs involved in having law classes on campus. These committees have been working since this summer. He reported that Cooley's students seem to like being here at Oakland. He added that we don't know how far this will go, possibly one full year of law study at Oakland plus several masters programs. He reminded the Senate that it is good for Oakland to have the visibility of a law school on campus, plus the possible future political advantages. Also Cooley is paying Oakland for use of the facilities and 80% of Cooley's payment will be designated to Academic Affairs. He announced that the university administration is looking into the possibility of tuition reductions for OU faculty, spouses and students should they want to take classes from Cooley. He assured the Senate that the community and Senate will be kept informed and involved in decision-making regarding academic issues, particularly since there's the possibility that some Cooley programs will tie into Oakland's. Mr. Khapoya asked if Cooley was satisfied with their conversations with Oakland or if they were looking for sites elsewhere. Mr. Moudgil responded that he thought they were happy here and that they'd prefer to be at Oakland, but that yes, they were also looking at other sites. Mr. Polis asked for clarification concerning the Detroit College of Law and Cooley. Both are in Lansing, responded Mr. Moudgil. Cooley is the largest law school in the country and is known for their non-traditional students. What about law school rankings, asked Mr. Polis. Mr. Moudgil responded that opinions vary; some are positive, some are not. He added Cooley's graduates often go on to work in the political arena and that it would be to Oakland's advantage to have legislators who have ties to OU. Mr. Grossman noted that the Senate has never had a chance to vote on Cooley's use of campus facilities, that their presence on campus was simply noted as an information item at the April Senate meeting. Mr. Moudgil replied that he thought the Senate had approved the appointment of the *ad hoc* committee. That's correct, responded Mr. Grossman, the Senate approved the appointment of a committee, but did not vote on whether or not the law classes should be on campus. Asked if they would be continuing to offer classes winter term, the Provost replied in the affirmative. Mr. Henke pointed out that, given the projected short-fall in revenue from the state, having Cooley here is an opportunity to gain some revenue and then asked if there was any way to speed up the negotiations. Mr. Moudgil said he hoped so.

General Education update

Ms. Awbrey reminded everyone of the Sept. 15th e-mail concerning the General Education Task Force II. The Task Force is requesting input regarding potential approaches for a renewed General Education Program at Oakland University. Please look at the website <http://www2.oakland.edu/gened> and respond to the Task Force with your ideas and thoughts by September 30th. She also stated that chairs have been asked to consult with their faculty and get departmental input and responses.

Senate Memberships

Mr. Moudgil then called the Senate's attention to an operational issue. When administrative titles change and those administrators are designated members of Senate committees, does the Senate wish to deal with them through formal motions to update the membership rosters or may such changes be made editorially without formal Senate action. The Senate would be

advised of such changes when they occur. Mr. Willoughby, seconded by Ms. Papazian:

MOVED to authorize the Steering Committee to modify Senate committee membership specifications for administrators whose titles change but whose functions remain the same without having to go through the Senate approval process for modifying Senate committee memberships. The Steering Committee will report such changes to the Senate.

Mr. Bertocci asked why it wasn't simply done this way rather than involving the Senate and Ms. Eberwein indicated that actually it has been this way. However, when there's reconsideration of a committee structure or when other changes needed to be made to committee memberships, the administrative titles were updated as part of the process and the Senate was involved. She indicated that a change in an administrator's responsibilities would need to be looked at and Mr. Moudgil indicated that functional changes would require Senate action, simple changes in job titles would not. The motion was approved.

Roll Call and Approval of Minutes

Following the roll call, the Senate then proceeded to approve a collection of minutes from the previous semester

March 14, 2002 Moved Mr. Downing, Seconded Mr. Graves. Approved

April 11, 2002 Moved Ms. Eberwein, Seconded Mr. Latcha. Approved

April 18, 2002 Moved Mr. Latcha, Seconded Mr. Mann. Approved

May 2, 2002 Moved Mr. Latcha, Seconded Mr. Russell.

Following up on the May 2d minutes, Mr. Grossman noted that the Senate had approved a document entitled *Profile 2010* and that a committee was supposed to be established to create a vision. He was also a little confused at the references to the "vision" in today presentation when he thought the Profile was meant. The Profile as the correct word was agreed upon and the minutes were approved.

Mr. Russell asked why there was no old business, stating that he thought both the vision and the motion regarding a printed phone book might be construed as old business. Mr. Moudgil responded that we will talk about these at the next Senate meeting.

New Business: Motion to staff Senate Standing Committees

The procedural motion to staff senate standing committees which included new members for some committees and the appointment of chairs for others was moved by Mr. Coppin, seconded by Mr. Stamps, and approved unanimously by the Senate with no discussion.

Good and Welfare:

Noting that the President had asked the Senate to look at and comment on the proposed values, Mr. Polis asked when are we going to do this. Mr. Moudgil responded that Senators should send him their thoughts and opinions and that he will consult with the Steering Committee and bring the results back to the Senate. He noted the urgency in acting on this issue. Mr. Russell asked about the distinctive undergraduate programs, wondering if it was all inclusive or an effort to focus on certain special programs. Mr. Grossman, asking for clarification, wondered if Provost intended to have the Steering Committee formulate a motion re: the values and bring the motion back to the Senate. The Provost indicated that was what

was intended. Ms. Mabee asked about committee vacancies and was told that volunteers should inform the secretary or any member of the Steering Committee of their desire to serve.

With no further business, Mr. Moudgil entertained a motion to adjourn and the Senate completed the first meeting of the 2002-2003 academic year at 4:30 p.m.

Submitted by
Linda L. Hildebrand
Secretary to the University Senate

REPORT TO THE UNIVERSITY SENATE

September 19, 2002
President Gary Russi

Tab 1

Board of Trustees
FY 2003 Budget Introduction
May 1, 2002
Budget Preparation Process

? The process to develop and propose the FY 2003 budget has been well publicized and open. A strong effort was made to give everyone the opportunity to participate in the process.

? Managers were asked to work with their constituencies to develop, prioritize and communicate budget submissions.

? As the level of management increased, the budget priorities were refined and widely communicated.

? Once the Board has approved the FY 2003 budget, extensive campus communications will once again occur to share all budget decisions.

Challenges

? The preparation of the FY 2003 budget proposal for Board consideration posed significant challenges.

? FIRST, because of a general economic slowdown, state revenue has fallen behind projections. Thus, the funding for higher education has been held at the same amount in FY 2003 as for FY 2002.

? We are pleased that the governor and legislators have agreed not to cut funding to higher education institutions, but instead to fund with a flat budget.

? However, please recall that part of the flat-funding legislation states that the total tuition and fee increase for FY 2003 should not exceed 8.5% or \$425, whichever is higher.

? For OU, the \$425 maximum equates to nearly 9.2 percent.

? We remain sensitive to holding the cost of education as low as possible while delivering the highest quality programs. Therefore, the budget we bring to the Board today has a tuition and fee increase proposal for the average residential undergraduate student at 8.47%.

? The SECOND challenge was that fixed costs ? which include contractual compensation, operating costs, utilities, health care, insurance, debt service, etc. ? continue to increase.

? Vice President Schaefer will provide more detail on these non-discretionary costs.

? We realize that any university must examine operational processes to ensure proper allocation of funds to vital educational activities. I will say more about cost containment in a moment.

? THIRD, the priority budget requests from all levels of the university far exceeded our ability to fund them.

? FINALLY, while enrollment growth can contribute to increased budget demands, in a time of flat state funding, enrollment growth provides the key source of funds to sustain essential operating elements and quality programming.

? Without the enrollment growth of the past several years, and as projected for Fall 2003, significant personnel and program cuts would be necessary.

Cost Containment

? The administration has worked diligently to initiate cost-containment measures, and over time a reduction in fixed costs has resulted.

? Like enrollment growth, the cost-containment measures have helped us to allocate funds to core areas of the university during a challenging budget year. Vice President Schaefer will describe many of the steps launched to date in her presentation.

? Furthermore, recognizing that we should continue our efforts to improve efficiencies, I am asking Vice President Schaefer to lead a broad-based process re-engineering task force to propose, initiate and document more measures to streamline OU's operations.

FY2003 Budget Priorities

? I am pleased to report that despite the funding challenges facing us this year, we are presenting to the Board today a budget that will directly support our plans to create a visionary undergraduate experience ? and directly benefit our students.

? We have accomplished this by working with the campus community and leadership to set sound, shared strategic priorities, which include:

? QUALITY FACULTY & STAFF ? Provide compensation and benefits for faculty and staff.

? QUALITY ACADEMIC PROGRAMS ? Provide funds to add faculty, to selectively hire staff, to expand programs, to support the library, to address academic program operating needs, to improve the teaching and learning environment and facilities, and to provide for technological

upgrades.

? **QUALITY STUDENT SUPPORT SERVICES** ? Provide funds to selectively expand staff in direct support of student activities, to expand student success support systems, and to strengthen budget-monitoring capabilities.

? **HEALTH AND SAFETY** ? Provide funds to expand the number of police officers and to meet additional fire-safety code requirements.

? **CAPITAL CAMPAIGN** ? Provide incremental funding for staff and operations as we build the necessary infrastructure to ensure a successful capital campaign.

? **CAMPUS FACILITY RENEWAL AND DEFERRED MAINTENANCE** ? Allocate funds to improve campus teaching and learning facilities in the form of debt service, fixed operating costs and deferred maintenance.

? Last but not least, **STRATEGIC INITIATIVES** ? Allocate funding to support projects to enrich the undergraduate experience consistent with vision 2010.

Tab 2

2010 Oakland University Profile

A. Quality academic programs

1. Oakland University will provide high quality and challenging undergraduate education that offers students an enriching and diverse combination of liberal arts, professional education, and cultural and social experiences.
2. Oakland University will create a visionary general education program that provides all Oakland baccalaureate graduates with the intellectual and cultural foundation for productive citizenship and a satisfying personal life in the twenty-first century world.
3. Oakland University's commitment to the highest quality undergraduate education will be shown by the high percentage of classes taught by full-time faculty.
4. A majority of classes taken by Oakland undergraduates will have sizes that maximize opportunities for student-faculty interactions.
5. Every Oakland undergraduate will have the opportunity to work with a faculty mentor in research or other creative endeavors.
6. Oakland University will offer a wide range of masters and professional doctorate programs that both strengthen undergraduate programs and meet the market demands of our society.
7. Oakland University will offer a limited number of Ph.D. programs focused on areas with a concentration of faculty expertise and of critical need to the state, region, and nation.
8. Future growth in enrollment will continue toward a 20,000-student target matched with growth in faculty, staff, campus and student services and technological enhancements.

B. Inspired faculty

1. Oakland University's academic experience will be driven by the dedication of its faculty to the teaching-learned process, research, scholarship and creative endeavors.
2. Oakland University faculty will be known for their expertise in applied research that directly impacts society.

3. Oakland University's faculty activities in basic research and scholarship will advance the frontiers of knowledge and inspire students to similar goals.

C. Scholarly community strengthened by its diversity

1. Oakland University will provide a dynamic model of the synergism that is achieved by people with diverse cultural and ethnic backgrounds working together for common goals.
2. Oakland University will select students, faculty, and staff to build a scholarly community that reflects the diversities of available talent pools.
3. The Oakland environment will provide students with cultural and social experiences, community outreach activities and team learning opportunities to prepare them to be effective contributors and leaders in tomorrow's workplace and society.

D. Community outreach and partnerships

1. Oakland University will be recognized regionally for quality and responsive community outreach.
2. Oakland University will be recognized regionally for building collaborative relationships with business, industry, education and government to meet the demands of a highly educated workforce and high-performance workplace.

Tab 3

Oakland University 2002-2003 Fiscal Year New Base Allocations

BUDGET CENTER		AMOUNT	%
A.	Discretionary Allocations		
	Academic Affairs	\$3,805,573	78.0%
	Finance and Administration	479,939	9.8%
	President	203,404	4.2%
	Student Affairs	137,727	2.8%
	University Relations	254,572	5.2%
	Total	\$4,881,215	
B.	Fixed Allocations		
	Compensation (FA-To be Distributed)	\$3,900,000	
	Utilities (FA)	(20,897)	

Tab 4

STATE REVENUE BUDGET SITUATION:

? The Michigan Constitution prohibits the state from running a deficit.

? For the last three consecutive fiscal years: 2001, 2002 and 2003, Michigan, like other states across the nation, has experienced a decline in state revenues versus projections due to the national recession and slow recovery.

? To address the greater than anticipated revenue shortfalls in recent fiscal years and to comply with the Constitutional mandate, state revenue estimators have met more frequently to revise projections downward.

? On three occasions, state elected officials made appropriate adjustments based on revised revenues. They also raised the state tobacco tax to generate new revenues.

? In each of these years, the Governor and Legislature have avoided cuts in the K-12, community colleges and state universities? budgets. Other state agencies, departments and entities dependent on state funds were not as fortunate.

? Unofficial forecast projections anticipate that the combined FY 2002 (October 1, 2001-September 30, 2002) and FY 2003 budget shortfalls will be around \$800 million.

? In addition, the Senate and House Fiscal agencies project that the four ballot proposals on the November ballot (Michigan Election Law revisions, bonds for sewage treatment, binding arbitration for state employees, and the tobacco settlement proposals) will reduce revenues by at least \$230.0 million initially; this amount will greatly increase if the water and sewage proposal passes and is fully phased in.

? Governor Engler has consistently stated that he will not leave the next Governor the type of budget deficit he inherited when he first took office in 1991.

? There is speculation that the Legislature may have to cut state budgets before adjourning at the end of the year.

? In January, the state will have a new Administration. In addition, two-thirds of the Senate and nearly half of the House will have new members who may or may not be as protective of higher education as the current Administration and legislative members.

OUTCOME:

If additional budget cuts are needed, it is anticipated that funding for universities and community colleges will be directly affected.

Values to Guide FY2003 Budget Management (Priority Order):

1. Managed growth/faculty support
2. Quality
3. Distinctive undergraduate programs/general education

4. Collaborations & partnerships
 5. Capital Campaign
 6. Student services/retention
 7. Graduate programs ? grants & contracts
 8. IT support
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[1]E-mail from Karen Kukuk responding to a request for names of the Task Force (10/02/02):

A[n Emergency Response Plan] Task Force was created and the members were as follows:
Rusty Postlewate, Chair; Peggy Cooke; Mel Gilroy; Randy Hansen; Cora Hanson, Catherine Lark; Domenic Luongo, Alan Miller; Glenn McIntosh; Ted Montgomery; Terrie Rowe; Eleanor Reynolds; Ann Ruppenthal; Nancy Schmitz, Diana Fernando (legal consultant).
The Emergency Response Plan was released May 9, 2002 and the university community was issued a "Desktop Emergency Guide" at the same time.

Regarding the current traffic situation on campus, the Vice President for Finance and Administration has appointed Rusty Postlewate, Asst. VP for Capital Planning and Design, and Sam Lucido, Chief of Police, to investigate and determine ways to alleviate the current traffic challenges.

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