

University of New Hampshire

## University of New Hampshire Scholars' Repository

---

Faculty Senate Agendas & Minutes

Faculty Senate Documents

---

9-26-2011

### 2011-12 FACULTY SENATE - September 26, 2011 Minutes Summary

Faculty Senate

Follow this and additional works at: [https://scholars.unh.edu/faculty\\_senate\\_agendas\\_minutes](https://scholars.unh.edu/faculty_senate_agendas_minutes)

---

#### Recommended Citation

Faculty Senate, "2011-12 FACULTY SENATE - September 26, 2011 Minutes Summary" (2011). *Faculty Senate Agendas & Minutes*. 259.

[https://scholars.unh.edu/faculty\\_senate\\_agendas\\_minutes/259](https://scholars.unh.edu/faculty_senate_agendas_minutes/259)

This Text is brought to you for free and open access by the Faculty Senate Documents at University of New Hampshire Scholars' Repository. It has been accepted for inclusion in Faculty Senate Agendas & Minutes by an authorized administrator of University of New Hampshire Scholars' Repository. For more information, please contact [Scholarly.Communication@unh.edu](mailto:Scholarly.Communication@unh.edu).

UNIVERSITY OF NEW HAMPSHIRE  
2011-12 FACULTY SENATE

SEPTEMBER 26, 2011

MINUTES SUMMARY

I. Roll – The following senators were absent: Baldwin, Ballestero, Dinapoli, Mebert and Simos. Guests were John Aber, David Proulx, Bob Swarthout, and Kelly Whittier.

II. Remarks by and questions to the provost – The provost said that “State of the Art” presentations will be held again this year to highlight faculty work. Last year four of those presentations were given by very interesting speakers, but the attendance was disappointing. The Faculty Senate will co-sponsor the effort this year. The provost asked the senators to attend and to invite their colleagues to do so as well. A senator suggested inviting legislators.

The provost said that the president will soon send a letter to update the campus about the university’s budget and that a budget forum will be held. The provost announced that Barbara Arrington, who is the dean of CHHS, will be taking on a new assignment. The provost has sent a letter to the CHHS faculty regarding the steps that will be taken to name an interim dean. This will follow the same procedures used recently to select the interim dean of COLSA. Neil Vroman will be the acting dean for a few months until the interim dean can be named, using an internal search.

III. Remarks by and questions to David Proulx on RCM and the budget – The senate chair, in his introduction of David Proulx, who is the associate vice president for finance, said that the Faculty Senate has a big responsibility to look at proposed changes that will affect academics. Ad-hoc committees were set up to work on budget cuts. Today David Proulx will present information on the university’s financial status and budget procedures, responsibility center management and how it works, and the differences between RCM now and before. UNH has received a funding reduction of 33 million dollars from the state of New Hampshire, which now provides only 7% of the university’s budget. To respond to the deficit, UNH enacted a hiring freeze, a separation incentive program, and reductions in program appropriation units, especially those which are directly funded. The total expense reductions are about \$21.5 million dollars, which is 65.2% of the state funding reduction. Revenue increases include 5 million dollars in tuition increases and 1.5 million dollars from additional enrollments over previous estimates. Then 5 million dollars has been taken from the university’s reserves, to meet the 33 million dollar state funding reduction.

In fiscal year 2012, there may be a slight undergraduate net tuition shortfall and up to a 2% salary increase pool developed for non AAUP employees effective January 1, if no more state cuts occur and the SIP targets are met. In fiscal years 2013 and 2014, concerns include state funding amounts, the need to fund the 5 million dollar use of reserves from the previous year, significant cost of attendance pressure, and meeting the 1% operating margin threshold in FY13 and 2% in FY14. The operating margin means the revenues in excess of expenses. There is a multi-million dollar funding gap for those two years. UNH is on the high end of tuition in public universities and must remain competitive. There will be a communication from President Huddleston to the UNH community this week and a budget forum on October 13. The university needs to improve revenue streams and reduce costs quickly, in order to meet the financial challenge.

The annual budget process includes the following. In September, prior-year-end results are provided by USNH and evaluated for next year's budget planning; initial budget parameters are developed for revenue and expenses at the university level; the student fee process begins; and the Central Budget Committee and the President's Cabinet meet, as they do each month. In October, fall enrollment results are evaluated and net tuition forecasts adjusted. In November, the student fee process concludes; and the cost of attendance proposal is submitted to the USNH Board of Trustees' Financial Affairs Committee. In December, the Financial Affairs Committee reviews the cost of attendance proposal and, if that is approved, sends it to the full Board of Trustees. In January, USNH sets the budget. In February, the USNH Board of Trustees approves cost of attendance increases for each campus; the facilities services budget and square footage rates are presented to the Central Budget Committee; and recommendations are provided to President Huddleston. Also, budget presentations are provided by academic and administrative units to the respective vice presidents; and responsibility center units begin budget development. In March, central administration revenue assessment rates are reviewed by the Central Budget Committee and a recommendation provided to President Huddleston; and RC units provide initial budget estimates to the VPFA for review. In April, net tuition projections are updated based on application information available; department and RC unit budgets are finalized by all units and entered into the Banner system; and the VPFA office reviews budget submissions to determine if the overall budget is in balance and to work with the units if not. In May, the UNH budget is finalized and sent to USNH for review; USNH sends budget submissions to the USNH trustee's Financial Affairs Committee for review and approval; and the budget is sent to the full board. In June, the full USNH Board of Trustees reviews and approves the budget.

Much communication about prior year, current year and future year activities is necessary. Some revenues and expenses are under UNH control (enrollments, fundraising, etc.) and others are not (state funding). Major budget shortfalls such as the university is facing now require departure from the normal process and include efforts such as setting up the Budget Task Force. A senator asked: if there is a salary increase, will those who already have high salaries receive a smaller percentage increase than those with low salaries? Another senator said that not only has the already small state budget contribution to the university been reduced but also New Hampshire contributes less than every other state to financial aid for its citizens' higher education. In addition, the state is not funding more building renovation, which is necessary in order to maintain and preserve the aging buildings at the university. In response to a question, David Proulx said that the president and the President's Cabinet review the value of expenditures for the UNH Foundation, the University Advancement Office, possible efforts in India, etc. There is a score card for return on investment, but the time line may be three to ten years before accurate assessment is possible. The provost said that the faculty research program has 11 million dollars in proposals and 2 million dollars in awards.

A senator said that extension educators' salaries were reduced by 25% but that there were no cuts to administrators' salaries and that this does not sit well. David Proulx replied that, although the state cut to extension education was 48%, the university reduced the funding cut to 25% for this year and asked extension education to develop a long-term plan for the 48%. The land-grant mission is at stake here. The nation and the state are diminishing investment in that, and there are no guarantees for the future of extension education and the agricultural experiment station.

Positions for the extension educators changed from twelve month to nine month positions. Strafford County Extension closed because both the state and the county removed their funding.

Responsibility center management (RCM) was instituted, in order to go from a centralized budgetary system to a decentralized one. This gave the units direct funding streams and also the obligation to pay a share of the university overhead. In RCM, allocated revenues come from undergraduate and graduate net tuition, summer tuition, facilities and administrative recovery funds, and the state appropriation including the university subvention. Unit direct revenue comes from the Executive Education Program, summer tuition, grants and contracts, student fees, sales of goods and services, gifts and endowment, and differential tuition. These revenues go to the academic and auxiliary units consisting of the schools and colleges, the university library, cooperative extension, EOS, business affairs auxiliaries (such as housing, dining, the New England Center, the university conference office, and transportation services), student affairs auxiliaries (such as campus recreation, the Whittemore Arena, the Memorial Union Building, Health Services, and the Counseling Center), telecommunications, the computer store, and intercollegiate athletics. From the revenues come direct expenses including salaries and wages, support (such as administrative costs, travel and equipment) and debt service, as well as indirect expenses such as those for facilities and the general assessment. The revenues must support administrative units including facility operations and maintenance, energy and campus development, the president's and provost's offices, the research office, the financial affairs office, university communications and marketing, advancement, student and academic services, and information technology, as well as legal and insurance expenses.

Changes from RCM2 to RCM3 were reviewed by faculty, staff and the president and are as follows. In RCM3, the state appropriation directly funds resident financial aid, program appropriation units and central administration; but in RCM2 the state appropriation funded program appropriation units and academic units. Central administration funding changed from revenue/expense taxes paid by the units based on prior year activity under RCM2 to a percentage of revenue allocated from revenue streams under RCM3. Credit hour weighting for undergraduate net tuition changed from 1.5 for CEPS, 1 for COLSA, WSBE and CHHS, and 0.8 for COLA under RCM 2 to 1.55 for CEPS, 1.15 for COLSA, 1 for WSBE and CHHS and 0.8 for COLA under RCM3. The facilities and administrative recovery unit share went from 82% under RCM2 to 70% under RCM3. Reserve access under RCM2 increased under RCM3. In response to a question, David Proulx said that the method of central administration funding changed but that the amount is probably about the same, although he has not done the exact calculation. The taxes paid by the units under RCM2 were hard to calculate, and the method in RCM3 is simpler: a percentage of revenue.

In response to a question, David Proulx said that the new building for the business school will be paid for with a 25 million dollar matching grant from Peter Paul, 4 million dollars in current fund raising, reserves from WSBE, and 13 million dollars which will be borrowed for ten years from the university system and paid back by the university primarily from increased enrollments in that unit. The senate chair asked if senate committees can get a finer level of data on how budget decisions are made for the academic and auxiliary units, so that the senate committees on the budget can understand the relation of the RCM units and how they change over time; and David Proulx said that the data could be provided. The UNH Foundation had a 1% charge to the

endowment; but with the economic downturn, the endowment income decreased; and so the UNH Foundation required more of a subsidy from the university budget. The USNH Board of Trustees gave a three-year grant of 1.5 million dollars from short-term investment income for the development of the advancement office. Athletics are partly funded from student fees and tuition and partly from direct revenue streams and the revenue tax. The Department of Athletics projects its income, and the central administration decides how much tax athletics will get. UNH is a state university, but the state supports it so poorly that consideration is being given to the possibility of becoming a private university. However, some of the buildings are owned by the state. Currently by state law, UNH has a land grant mission and pressure to keep tuition low and support financial aid. How should support be balanced by control? UNH must improve fund raising.

IV. Remarks by and questions to the chair – The senate chair confirmed that the Faculty Senate will cosponsor the “State of the Art” Program which invited four professors last year and four this year to give talks for faculty, graduate students and others, on current accomplishments, in order to celebrate the fine scholarship at UNH. Also, the senate is starting a “Good News from Faculty” column to publicize the good work that faculty do. That is a charge for the senate’s Information Technology Committee; and faculty will be speaking at the first faculty meeting in each college, to ask for faculty contributions to that column. The senate is also planning to set up a discussion of workplace bullying and mobbing, and a senate committee is charged with initiating inquiry on best practices for transitioning senior professors to retirement as enacted at other institutions.

V. Minutes – The minutes of the previous Faculty Senate meeting were approved with one abstention and no nays.

VI. Report from the Campus Planning Committee – The chair of the Campus Planning Committee said that there had been plans last spring to install a university club in the university library. However, due to the severe budget cut from the state, that plan has been put on hold and will not move forward. The CPC will give its report on graduate and family housing in the near future.

VII. Discussion of reorganization and the budget – The senate chair said that last spring the provost instituted three budget initiatives, based on the Central Budget Committee suggestions, to consider reorganization of science and engineering, reorganization of the Graduate School, and all other entities. A merger of the colleges of science and engineering is now off the table; the graduate school is still being reviewed; and the provost has put off consideration of the other entities until the work on accreditation is done. However, the senate’s Committee on Organization of Other Entities will continue to look now for budget savings in the other entities, including central administration and athletics. The past senate chair said that, last February when the state budget cuts were looming, the CBC asked for and received many suggestions for possible budget cuts, including some about athletics. There was not sufficient time for data analysis then, and this summer reviews were held on only the first two topics. The budget has been balanced for the current fiscal year; but the pressure will resume; and the senate should prepare for that this semester. The administration should strongly point out to the public the consequences of the budget cuts. Cuts to county extension were made with regret but with the

expectation that the loss of those services to the state would get the attention of the public and the legislators. The competitiveness of tuition costs at UNH is precarious, especially in the volatile economic situation. The Faculty Senate is charged with overseeing the academics and curriculum, and faculty should press the point that UNH attracts tuition dollars by the quality of the education offered here.

A senator said that the university should deal with students so that they will want to contribute to the university when they become alumni. If the state does not support the university, UNH should charge for athletic leagues and other outside groups which use UNH facilities. The legislature and the cuts are damaging the future of New Hampshire's youth and citizens. Renovation of aging buildings at UNH must be paid for, or the investment in those buildings will be lost. In the Student Senate, recommendations have been made that students, faculty and the administration should impress upon the legislators the value of the university to the state and that the tuition and student fees are very high here. Individuals from UNH should become active politically. The senate chair said that he is trying to arrange for faculty observers to trustee committees. Faculty need a presence there; but time conflicts exist with the senate meetings; and the Agenda Committee is trying to work around that. If only 7% of the university budget comes from the state, how much control should the state have over the university? Legally the university is chartered by the state and is responsible to the Board of Trustees of USNH. If budget cuts must be made, how do the students feel about cuts in athletics?

VIII. Adjournment – The meeting was adjourned.