

FACULTY SENATE COMMUNICATIONS REPORT | 7 April 2016 meeting

Prepared by Christopher M. Cottingham, Communications Officer

OVERVIEW

The 2015-16 Faculty Senate held its fourteenth regular meeting on 7 April 2016, from 3:45 to 5:35 pm in the Riggle Room of ADUC. In line with the recurring theme over the past several weeks, much of the meeting was consumed with the budget and related issues; even when not being explicitly discussed, the budget was there as a sword of Damocles, hanging over the proceedings. Specifically, the meeting comprised announcements from the Chair, formal reports from the Provost and Faculty Regent, and, most significantly, debate and final passage of a resolution formally censuring President Andrews for his handling of the university's fiscal situation. While it may be tempting to skip ahead to that discussion, all are encouraged to read this report, as the first section will provide useful background.

THE SWORD OF DAMOCLES

Budget update from the Chair: The Budget Task Force (BTF) has officially completed its work and submitted a list of recommendations to the President. However, as he mentioned in a campus-wide email last week, the President will not be announcing any "final decisions on strategic budget reductions" until the state government finalizes its budget. As of the writing of this report, the state House and Senate had decided to extend the legislative session until Friday, 15 April, with leaders in both chambers seemingly agreeing to a compromise higher education cut of 4.5% over each of the next two years. These cuts have also been publicly deemed a workable, if extremely unpleasant, compromise by the university presidents.

Chair Adams also provided some important clarification on the nature of our internal tuition shortfall, specifically the reality that it will functionally carry over into following years, unless enrollment rebounds significantly. Put another way, the lost tuition income will still be missing next year, as the students who were projected to enroll this year, but did not, won't be here next year either. The budgeting process for fiscal year (FY) 2016-17 will therefore have to be more conservative, or else we will face a similar shortfall. On a related note, the various things done to address this year's shortfall were non-recurring, and won't continue to reduce expenditures in years to come.

The Executive Council invited CFO Beth Patrick to come to Faculty Senate and explain how the budget office projects enrollment and uses those projections in the budgeting process. The hope was to gain some insight into how the FY 2015-16 \$2.6 million tuition shortfall came about. Many Senators also have questions about precisely how this shortfall was addressed, beyond general statements about "capturing savings." Unfortunately, Ms. Patrick declined the invitation and will apparently not be meeting with Senate this term.

Budget update from the Provost: The Provost filled the Senate in on the since-publicized meeting between Governor Bevin and the state university presidents (including President Andrews). In that meeting, Governor Bevin offered the university presidents the 4.5% cut over the next two years mentioned above. At least from the perspective of President Andrews, the meeting did not sound like it went well, and the President came away worried that the governor would do the worst (i.e., his originally proposed 9% cuts over the next two years).

The Provost was asked about how, in the event that no state budget is passed, a state government shutdown would affect MSU. The upshot is that no one seems to know exactly what would happen in that situation, as it is unprecedented. The Provost suggested that we might be able to glean some insight from the situation in Illinois, but it sounds as though we would all learn about the effects of a shutdown together in real time. Something worth noting is that the university will apparently not be able to spend even its tuition money in the event of a shutdown, because it is dispersed to MSU as part of the state appropriate process. Related to this, MSU has not yet set tuition for the next academic year, given the continuing state budget unknowns, although it will definitely be going up.

The Provost was also asked whether he could provide any further clarification on the issue of "restricted versus unrestricted" funds within the state higher education budget. The Provost stated that restricted funds are generally service contracts and physical infrastructure (e.g., the upcoming ADUC renovation). As has been discussed previously, funds for building projects are part of a dedicated "pot" of money appropriated by the state, and can only be used for those purposes. One aspect of infrastructure spending that has changed is the provision of maintenance and operation (M&O) funds. Formerly, the legislature would include M&O funds for new buildings as part of the "restricted" fund appropriation, but this is no longer done, leaving the university to foot the M&O bill for these new buildings out of other general "unrestricted" funds.

In response to a question about performance funding, the Provost said that it seems to have been largely “off the table,” at least up to this point in the state budgeting process. The Senate budget had proposed to tie 25% of higher education funding to the new performance metrics beginning in FY 2017-18, but it obviously remains to be seen how this particular issue will be handled in the final budget deal. All interested parties are encouraged to stay tuned for further updates.

Updates on various budget resolutions: The joint resolution with Staff Congress passed at the 17 March meeting was sent along to the legislature, although no official response was received. The resolution regarding the furlough/non-recurring salary reduction plan implementation, also passed on 17 March, has been routed and received by the President. Finally, the Student Government Association (SGA) passed a resolution on 6 April expressing their support for prioritizing academics during the ongoing budget crisis.

CENSURE

The document: The Executive Council, acting in response to the Senate as a whole, introduced a resolution to formally censure President Andrews for his handling of the university’s fiscal situation. The full text of the resolution is presented below; note that no changes to the language were made during debate.

“Whereas Morehead State University had a tuition shortfall of \$2.6 million in the 2015-2016 fiscal year,

Whereas this shortfall far exceeds the amount of the 4.5% budget reduction proposed by Governor Bevin for the 2015-2016 fiscal year, a \$1.9 million reduction that caused President Andrews to institute a 5-day furlough for administration and staff and a non-recurring salary reduction equal to five contract days of pay for faculty in 2016-2017 in response;

Whereas MSU also faced a tuition shortfall in the 2014-2015 fiscal year, and instituted a Self-Study that year designed to reduce the operating budget of Academic Affairs by \$1.5 million;

Whereas these successive years of tuition shortfall, coming so shortly after the record enrollment of 2011, suggest both a lack of proper enrollment management and a pattern of inaccurate budget planning;

Whereas the problems with enrollment management and budget planning predate the cuts to higher education proposed in Governor Bevin’s biennial budget;

Be it resolved that the Faculty Senate at Morehead State University censures President Andrews for failing to effectively lead this institution through difficult economic times and protect the core mission of the university, which is instruction.”

Preamble: Prior to opening formal debate, Chair Adams provided some background and context. To begin with, this document is the culmination of a process that started at the 10 March special emergency Senate meeting, called in response to the President’s original furlough announcement. At that meeting, Dr. Sarah Morrison, Professor of English, delivered a statement summarizing her long-standing concerns about the management and leadership of MSU. She urged the Senate to consider proceeding with a vote of no-confidence in the President, not as a response to the furlough, but in response to historical patterns outlined in her address. Senator Rus May followed up this address by introducing a motion calling for a no-confidence vote. After much debate, Senator May’s motion was tabled and referred to the Executive Council for further consideration.

As part of that “further consideration,” the Executive Council attempted to carry out the due diligence on the historical record of the President’s management and leadership of MSU. This work, which included feedback from numerous faculty members across campus, resulted in a document that corroborated the general critique from Dr. Morrison; this detailed document is entitled “Response to Appeal” and can be found on the Faculty Senate Blackboard shell within the “Censure” folder. This document was not formally addressed on the Senate floor, given its cumbersome nature. To summarize, in the words of Chair Adams, the Executive Council found “repeated administrative mistakes falling into recognizable patterns,” with the abortive furlough roll-out just the latest instance of “a well-publicized executive decision [that] had to be significantly retooled almost immediately after its announcement because it had not been properly vetted in advance.”

In the face of this evidence, the Executive Council felt some action stronger than the many resolutions that have been passed recently was called for. Therefore, the censure document was crafted to express formal disapproval over the internal problems that have exacerbated present external difficulties, and do so in a way that is stronger than a resolution but stops short of a full no-confidence vote. It was the hope of the Executive council that this action could productively address the discontent and fear of faculty while also drawing attention to what Chair Adams referred to as a “destructive cycle” of “recurring mistakes.” It should be noted that the Executive Council wants Faculty Senate, and faculty more generally, to be part of the solutions to the problems, and intended this censure resolution as the starting point for a new, more transparent exercise in shared governance.

Debate: The first question was posed by Senator Ron Morrison, requesting clarification on the nature of the proposed censure. Specifically, he wondered whether the Executive Council had decided that censure was the best path forward in response to Senator May’s motion for a no-confidence vote. Speaking for the Executive Council, Senator Katy Carlson stated that this was essentially the decision made; censure is a stronger, more specific expression of disapproval which avoids the “nuclear option” of no-confidence.

Expressing a sentiment that was shared by a few other Senators, Senator Eric Jerde stated his belief that censure is still a very serious matter, not necessarily much less significant than no-confidence, and that the Senate lacks specific information on precisely how the internal tuition shortfall occurred. His point was that it might not be appropriate for the Senate to censure the President without more information. Other Senators also expressed a desire for more information, particularly with respect to how enrollment projections are achieved and how they are used in formulating university budgets. However, as mentioned earlier in this report, the Executive Council did give Beth Patrick an opportunity to address these very issues, but she declined to meet with the Senate. Furthermore, as pointed out by several including Senators Janelle Hare and Sue Tallichet, there is a historical pattern of the Senate asking for all sorts of budget-related information but repeatedly failing to receive clear answers. Such lack of transparency is, in fact, a major component of the disapproval expressed in the censure language.

On a related note, Senator Gil Remillard felt the resolution was illogical, because each of the various issues outlined cannot be tied directly to actions taken by President Andrews. There also seemed to be some concern that fiscal issues might not be linked directly with a failure to protect academics. However, as pointed out by Senator Tim Simpson, it is false to believe that fiscal and academic policy within a university are not intrinsically linked; as well, the budget woes of recent years have been a major distraction to faculty, negatively affecting our performance and ability to impact student success. These statements dovetail with a point made by Chair Adams in her preamble, namely that the current external budget issues resulting from the 2015 election have merely “thrown ongoing questions [about internal fiscal management] into even starker relief.” As pointed out by Senator May, it is also worth noting that none of the other public universities in Kentucky (not including the special cases of Kentucky State and KCTCS) has announced anything like the MSU furlough/non-recurring salary reduction plan, nor have they (at least publicly) faced major tuition shortfalls.

A related concern, raised repeatedly, was that academics is not being properly funded in comparison with expenses on other initiatives. For example, Senator Morrison questioned the recent expense of \$1 million on a new “gaming network” for students at a time when MSU is facing both significant internal tuition shortfalls and external budget cuts.

Senator Wesley White, speaking on behalf of the Department of Psychology as a whole, raised several points in opposition to the censure resolution. In addition to the aforementioned issue of not having sufficient information for the assertions, Senator White also felt it would be more appropriate to pursue a resolution calling for more faculty involvement in the university’s fiscal management, including the budgeting process. In response, Chair Adams reminded Senators that multiple requests have been made via multiple avenues, including many in writing, for more faculty involvement on numerous important university organs, including the BTF. However, Chair Adams was nonetheless willing to consider the point, and afforded an opening for Senators, including Senator White, to provide suggestions for improving the effectiveness of such additional requests for faculty involvement.

Senator White also felt that more evaluation of the general faculty mood should be done before proceeding with something like censure. However, as Senator May pointed out, a survey of faculty mood and satisfaction with the administration was conducted just last year, and it should generally poor morale and very low satisfaction with the administration. Somewhat related to this concern of Senator White, several other Senators expressed a desire to have the entire faculty vote on censuring the President. While this is an avenue that will be explored further by the Executive Council, as noted by Senator Greg McBrayer, Assistant Professor of Government, under the basic principles of representative government, Faculty Senate is a representative body empowered by its constituents (i.e., all faculty) to vote on censure (or anything else, for that matter) reflective of those constituents.

Final outcome: After closing debate by an affirmative vote on “calling the question,” the Senate voted on the censure resolution itself via a secret paper ballot. The final tally was 23 in favor, 11 opposed, with no official abstentions recorded, meaning that the censure resolution was passed. After passage, Chair Adams suggested that the Senate should consider inviting the President to attend a Senate meeting to provide a response and take questions from Senators. This scenario is currently be explored by the Executive Council.

POTPOURRI

BoR update: Although somewhat overshadowed by the censure debate and passage, Faculty Regent Berglee made a major announcement regarding PAc-22 and PAc-26. These important documents were expected to be voted on by the Board of Regents (BoR) at their 18 March quarterly meeting, but were unexpectedly tabled by BoR Chair Goodpaster and referred to a subcommittee comprised of Regents Berglee, Price, and Long. It is important to note that these are the reconciled and Faculty Senate-approved documents dealt with earlier this academic year. The President had already signed off on the associated routing paperwork, leaving at least most Senators with the impression that BoR passage was a formality. Indeed, according to Senator Morrison, former Faculty Regent and self-described “BoR-watcher,” the tabling of these documents, which have already been signed off on by the President, is an unprecedented move. Chair Goodpaster apparently felt he did not understand the documents well enough to proceed with a vote; Regent Berglee is under the impression that the subcommittee is supposed to evaluate and report back to the full BoR, although no specific charge was given to the subcommittee. It is unclear when the BoR will ultimately vote on these PAcS, and whether, if any modifications are made by the BoR, Faculty Senate would see such revised documents before BoR passage. Once again, all interested parties are encouraged to stay tuned for further updates.

Odds & ends from the Chair: The Executive Council has taken steps to ensure Faculty Senate functionality over the upcoming “off months” by scheduling several tentative Senate meetings for May, June, and July. These dates will likely not all be used, but have been schedule just in case they are needed, particularly given the outstanding issues addressed in preceding sections which are likely to remaining hanging for some time. The last regular Faculty Senate meeting scheduled for the 2015-16 academic year is on 21 April 2016.

Odds & ends from the Provost: Kentucky is in the final stages of joining something called the State Authorization Reciprocity Agreement (SARA). According to the Provost, this is significant because it will remove existing barriers to MSU offering online courses and degree programs across state lines. Without SARA, it is apparently problematic, and in most cases impossible, to make these offerings across state lines due to issues of regulatory oversight and compliance. SARA is a multi-state consortium designed to remove those interstate barriers; the upshot is that, once the governor signs off (related legislation has already been passed by lawmakers), MSU will itself be able to join the consortium and offer online academics out of state. The Provost expects this to be a boon for our online education initiatives, opening up many new markets.

The Provost also stated that a new cohort of 60 students has been accepted for enrollment into the Craft Academy this fall, adding to the 2015-16 cohort who will be continuing into the second year. As he reminded Senators, this represents an additional 60 tuition-paying individuals on campus.

In response to a question during a later, largely unrelated discussion, the Provost further stated that the university website and “soft” (for lack of a better term) rebranding is still moving ahead. The outside contractor previously engaged is well underway with the website redesign, and we can all look forward to “much less of ‘Much More’” in the not-too-distant future.