



FACULTY SENATE COMMUNICATIONS REPORT

February 15, 2018 meeting

“Last night I dreamt I went to Manderlay again” (Overview)

Faculty Senate held its eleventh official meeting on February 15th. The body discussed the budget situation and received updates on initiatives in Academic Affairs.

“My afternoon had spoilt me for the hours that still remained” (Response from Chair Tallichet re: the recent Lexington Herald Leader article)

On February 12, 2018, the *Lexington Herald-Leader* published an article entitled “Morehead State University announces buyout plan as financial reckoning begins” that included no “immediate response” from “Faculty Senate leadership.” Chair Tallichet, who was in a meeting when the request was sent, emailed this response to the reporter (Linda Blackford) that same day:

Thank you for your inquiry. I could not immediately respond because I was in a long meeting this afternoon that lasted until around 4:35pm and then I did not see your e-mail until a short time later. So at this time, please allow me to give you a statement as the Chair of Faculty Senate at Morehead State University.

Faculty Senate is working closely with President Morgan to safeguard the core mission of the institution, the education we provide our students, as we respond to continuing cuts and increasing pension and healthcare costs. But the faculty is very concerned that some of the measures we will be forced to implement could do lasting damage to the institution.

Let me also clarify that Dr. Morgan has not proposed a “buyout” as was done several years ago, but rather has asked faculty and staff to consider retiring or moving to part-time status if they are in a position to do so.

We know that there are many unknowns in this situation and they are not good ones. The initial steps Dr. Morgan has taken to mitigate budget pressures have not been easy, but are designed to

limit the number of involuntary separations. And, in sum, we are hoping for the best possible scenario as state legislators finalize the budget and work toward pension reform. At the same time, we are preparing for the worst in consultation with the current Administration.

“I believe there is a theory that men and women emerge finer and stronger after suffering, and that to advance in this or any world we must endure ordeal by fire.” (Feedback on President’s budget forum last Friday)

Chair Tallichet asked Senators to share whatever issues their constituents may have raised in response to the budget forum last Friday. Senator J. Hare stated that some of her constituents took umbrage with the claim that cuts would put us “in line” with other schools, as these comparisons did not account for the fact that MSU is already in a special category in regards to cuts, as we remain the only school that resorted to furloughs in response to budgetary woes. She also expressed concern about the loss of dental care benefits, given the importance of dental health, especially in our region. This concern was shared by a number of Senators.

The bulk of the conversation centered on the shift of some employees from KERS to KTRS. There appear to have been problems with HR’s implementation of the move, and a number of Senators questioned the equity of the shift itself. In response, the Provost noted that the reclassifications, which will save the institution money, are mostly “housekeeping” maneuvers that should have been completed some time ago. The administration is not retroactively redrawing job descriptions or deciding that people now need a BA to keep a job. All they are doing is seeing if there are current job descriptions “that support a BA” and shifting such positions to the KTRS system to save money (and jobs in the future).

In response to specific questions, Provost Ralston stated that he had only been asked to review KERS job descriptions to see which ones might be moved to KTRS. He was not aware of reviews in the other direction. He also acknowledged that shifts from KERS to KTRS would cost the affected employees, as those people would now be paying more into their designated retirement system. When asked if any potential saving from the shifts might be utilized to remunerate affected employees, the Provost replied that he did not believe so, as the shift was not a penalty or an error, but a correction of what could be perceived as previous misclassification. He did acknowledge, though, that he was not a lawyer or a legal expert, and that the opinion he expressed was only his understanding of the situation.

“No crisis can break through the crust of habit.” (Announcements)

- Update on Faculty Concerns from last week:
 - The Provost is checking with IT about quarantined emails (it is now on the new director’s agenda). Please remember that passwords need to be changed by March 18th.
 - The Provost has also contacted Deans about overrides given without faculty permission. (The Deans were unaware that any unwarranted overrides had been given.)
 - We will address the issues with the bookstore when we meet with the General Manager, Charles Gancio. He’s been invited to address the body on the 15th of March.

- The correct number for the Counseling Center is 783-2055. Its hours are 8:00 a.m. to 4:30 p.m., M-F.
- The new director of Facilities, Kim Oatman, provided this link for work orders: <http://www.moreheadstate.edu/Administration/Facilities-Management/Work-Request>
- The Faculty Committee Preference Survey will be open March 1st through the 16th.
- NSSE (National Survey of Student Engagement) opens today and will be available through June 1st.
- MSU continues to offer events to celebrate Black History Month. Please make a point of attending when your schedule allows.
- The next Board of Regents meeting (on February 22nd) will be a special session in Prestonsburg.

“Time will mellow it, make it a moment for laughter. But now it was not funny, now I did not laugh. It was not the future, it was the present. It was too vivid and too real.” (Regent’s report)

Regent Pidluzny iterated that the next Board of Regents meeting (a special session) will be held Thursday the 22nd in Prestonsburg. On Monday (the 19th), the Staff Regent and Dr. Pidluzny will be meeting with President Morgan to discuss responses to the budget forum. Regent Pidluzny would like to know what concerns (other than those expressed above) he should raise at this meeting.

Before devoting the rest of his report to questions and comments from the Senate floor, Regent Pidluzny offered a brief bit of budgetary context: Our original deficit of \$10-12m has been whittled down to roughly \$5m through shifts in pension lines, the payment of strategic debts, voluntary movements of employees from fulltime to part time work, and the elimination of some vacant lines. We are hoping that there will be some debt relief coming from Frankfort, which could reduce the deficit even further, but we should realize that the initiatives outlined in the forum presentation only work out to about 3%, so we will need to do more to meet our current (and future) needs.

Regent Pidluzny also asked the body to contrast the institution’s current approach to looming deficits with previous approaches. We are doing our best to make strategic decisions in light of the financial realities that face us. We are not retroactively leveling indiscriminate cuts that fail to properly prioritize our core mission. Right now, even in the midst of austerity measures, we have 10+ searches for tenure and tenure track positions that are ongoing. (CO aside: and let’s not underestimate the importance of transparent budget numbers and unambiguous accounting practices. Remember when the Lappin Chiller was the “Bowling Green Massacre” of our deficit? #NeverForget)

Particular questions/comments:

- How can we be sure that taking Laughlin offline will save us money, particularly because faculty and classes in that building will be moved to spaces that are not currently designated as “instructional,” and hence won’t count in performance funding? (A: The Facilities taskforce has also been charged with making sure that spaces are properly coded in terms of performance funding, so the “instructional” designation shouldn’t be a problem. Faculty should clearly communicate their needs to the taskforce so that it can make the best, most accommodating decision for affected faculty and programs.)

- Can we outsource non-academic labor to save money that can be reinvested in the academic core? A Senator, who brought this concern forward on behalf of a constituent, wanted to know how we could ensure such a move, if made, would actually save funds to be reinvested, given the documented poor performance of such “cost saving” measures at the state and local level, and the loss in auxiliary revenue that attended our recent partnership with Aramark. (A: This is an important concern to be raised. Any drastic measures taken will not be taken lightly.)
- Why are we only focusing on cutting? Can’t we bring money into the university? It is likely that cuts we are making now will hurt us in the future, particularly as we try to position ourselves as a unique educational experience. (A: The Regent shares this concern, and, like the President, would love to see more revenue coming in to the university. The renewed focus on recruitment and retention, after a number of years of dwindling cohort numbers, is one such indication that we are committed to new revenue. Another important indication is our commitment to fundraising for scholarships, which will serve as important recruitment tools that can keep tuition costs manageable, instead of brick and mortar buildings, which further strain the budget in terms of debt service and M&O.)
- Why aren’t we seriously looking at moving divisions in athletics? We understand that the President doesn’t want to single out individual areas, but half of our travel costs are in athletics, and we can offer students sporting experiences without the high costs associated with Division I membership. (A: All areas are being reviewed with cost cutting in mind. Some factual information to put concerns for costs in context: the annual athletic costs we report to the NCAA [around \$9m] are about the same as our debt service [also a little over \$9m]. Those two expenses together are roughly equivalent to what we pay for instruction.)
- What exactly is “Earn to Learn,” and how does that factor into budget savings? (A, provided by President Morgan: Individual units currently have student wage lines. Moving forward, those will be termed “Earn to Learn” and they will be restricted to student wages alone. Units will not be able to reshuffle funds to other areas if they do not hire students. It is the President’s hope that these dedicated lines can be used to aid in recruitment and retention. We may not be able to be a work-study school like Berea, but we can rely on best practices and find ways to keep students active and involved on campus.)
- It feels as though sick leave is “being stolen.” Has our decision accounted for the “Lost Wages” clause in legislation, and, if the decision remains, will faculty be able to purchase the leave themselves? (A, courtesy of both Regent Pidluzny and Dr. Morgan: The institution will look into the “lost wages” clause. Currently, employees are not legally able to purchase sick leave themselves. As we all know, the legislature is poised to introduce a new pension bill ‘any day now.’ A previous draft, and much Frankfort discussion, has involved the elimination of the use of sick leave in pension calculations. It is fully possible that any decision we make will be moot based on what happens at the state house. That said this does not help faculty who have to make a possible retirement decision by March 15th when we won’t know what will be fully enacted until April.)

The Regent urges faculty to send him any cost saving ideas they may have, particularly those that spare benefits or positions. Right now, though, he cannot see any reason to vote against the

proposals put forward in the budget forum, as he does not see any less painful ways to trim the budget.

“They were all fitting into place, the jig-saw pieces. The odd strained shapes that I had tried to piece together with my fumbling fingers and they had never fitted.” (A makeshift Presidential report)

The President, who had just returned from Frankfort, entered the Senate meeting during the Regent’s report. The responses he provided to direct queries constituted a report of sorts, one that helped to give greater context to various budgetary decisions, particularly the decision to make dental care optional.

No one disputes that dental health care is important, or that the added cost of an optional dental plan will burden employees with modest salaries. There are a number of mitigating factors, though, that make such a cut preferable to other options: (1) the dental plan we currently have is NOT used by a majority of employees, so we are paying 100% coverage for less than 50% participation; (2) we will still be able to secure the same rates for coverage for employees, and employees will be able to use pretax dollars to purchase plans, should they elect to do so; (3) HRAs and HSAs can still be used for dental expenses; and (4) we have dental facilities in CHER, and there are ongoing discussions on the feasibility of offering affordable “in house” services and plans.

As Regent Pidluzny had noted, MSU currently has the most generous benefits of the regionals in the state, and we are the only school, outside of Northern, to offer institutionally paid dental. This year we worked hard to hold insurance rates (for employees) relatively harmless. This means that our standard ratio of health care costs (75% employer, 25% employee) has actually skewed in favor of employees (80% employer, 20% employee). We do not currently know the ideal ratio for healthcare, but our Health Care taskforce is looking into that. (Senators asked that the taskforce investigate why so many procedures and services that were covered by our plans just a few years ago are no longer covered. This concern was duly noted, and the Regent hazarded the opinion that this might have something to do with the fact that we became self-insured in the same time frame.)

The President is still working on ways to mitigate loss. In the coming months, there will be some “administrative move around” to free up funds, and he’s been “floating” a plan for “shared responsibility” (with city, county, and tourism) to try and save the Folk Art Center. Other schools are in much worse financial position this year (WKU is \$40m in the hole, and will be laying off “hundreds,” and ECU is looking at another round of significant separations), and he is working diligently to avoid a situation where MSU has to resort to the same solutions.

There are two possible complications on the horizon for us: pension reform may include restrictive “return to work” policies that would negate phased retirement agreements, and the new KCTCS campus 8 miles down the road will be offering 2 years of general education courses at a cheaper price. We’re hoping that pension reform won’t include restrictive policies regarding return to work (as such policies disproportionately affect rural institutions like our own), and we are seeking a CPE ruling on what courses KCTCS is allowed to offer.

In response to Senator Prindle's concerns about preparation for possible school shootings, Dr. Morgan noted that the Chief of Police has given some active shooter training on campus, and he is going to ask the police chief to follow up in other buildings. In response to Senator Dearden's question, student health care will be staying in Ally Young, which means that students do not need to fear the loss of access to birth control (as they may have at St. Claire's, which is a religious institution).

“And he went on eating his marmalade as though everything were natural.” (Provost's report)

Our focus on General Education assessment has paid off. We're at 95% compliance. 3 colleges are 100%; 1 college is 90%. Although we're still working through a few problems with Early College, things look good for our accreditation effort.

The ongoing program review is a “Where Are We Now?” follow-up to the Self-Study. The 3 years of APNA data we've accrued since the Study will be added in an “update,” which program faculty will be allowed to review. According to current plans, faculty will receive the initial reviews no later than March 14th, and they will have 3 weeks during which they can offer a response. All faculty comments will be included (unabridged) in the final draft, which will be sent to the President May 2nd. Once the full report is finalized, the entire document will be made available to the campus community at large. The Provost stressed 2 things: (1) this draft will include no recommendations or suggestions—it will just be a compilation of information that the new Provost and the President may use in any way they see fit, and (2) this “update” will provide the “baseline” of program monitoring outlined in PAC-26. (The new policy states that programs will be routinely monitored for health, and this process puts us in compliance with that.)

The Provost will be reviewing the revised PAC-2 on Monday, and his office is helping with the credential oversight we need for accreditation efforts. Once we put our current house in order, we're going to make sure that every new person is properly credentialed at the point of hire.

We have postponed debuting the “self service tool” for students due to technical issues and a lack of training. To jump start the process again, the Provost has created a steering committee, and he would like to have a Faculty Senator on it. Senator Collinworth “volunteered as tribute.”

“The moment of crisis had come, and I must face it.” The Senate adjourned at 5:45 p.m. (after agreeing to a 10 minute extension). The next full meeting will be on March 1, 2018.



Submitted by the 2017-18 Faculty Senate Communications Officer, whose “curious, sloping letters” show “How alive was her writing [. . .] how full of force.”