

CASE WESTERN RESERVE UNIVERSITY

**Faculty Senate**

Minutes of the Meeting of February 28, 2008

Toepfer Room, Adelbert Hall

**Members present**

Jay Alexander	Dominique Durand	Vincent Monnier
Keith Armitage	Steven Garverick	David Poerschke
Cynthia Beall	Jerold Goldberg	Joseph Prah
Nabil Bissada	Julia Grant	Eric Neilsen
Christine Cano	Christine Hudak	Sandra Russ
Joseph Carter	Kathleen Kash	Paul Salipante
Susan Case	Elizabeth Kaufman	Benjamin Schechter
John Clochesy	Kenneth Ledford	Barbara Snyder
David Crampton	Diana Morris	Glenn Starkman
William Deal	Uziel Landau	Philip Taylor
Mark DeGuire	Charles Malemud	Whit Tice
Dave Diles	David Matthiesen, Chair	Susan Zull

**Members absent**

Jeffrey Alexander	Marion Good	Carol Musil
Kathryn Adams	Lawrence Krauss	Sena Narendran
Olivier Arnoult	Wilbur Leatherberry	Ronald Occhionero
John Blackwell	Jacqueline Lipton	Alan Rocke
Robert Bonomo	Judith Lipton	Joram Sawady
Shami Chogle	Sana Loue	Elizabeth Tracy
Stanton Cort	Kathryn Mercer	Rhonda Williams
Thomas Frank	Shirley Moore	Terry Wolpaw
Faye Gary	Roland Moskowitz	

**Others present**

Jeanine Arden Ornt	Donald Feke	Chris Sheridan
Christine Ash	Lev Gonick	Lynn Singer
Paula Baughn	Lara Kalafatis	Jeff Wolcowitz
Glenn Bieler	Dean Patterson	
Joanne Eustis	Hossein Sadid	

**Call to order**

Professor David Matthiesen, Chair of the Faculty Senate, called the meeting to order at 3:35 p.m.

### **Approval of minutes**

Upon motion, duly seconded, the minutes of the Faculty Senate meeting of January 22, 2008 were approved.

### **President's announcements**

President Barbara Snyder announced that a committee, chaired by Professor Hunter Peckham (Department of Biomedical Engineering), has been formed to conduct the search for a new provost. Several professional search firms have been asked to submit bids for this project, and meetings with the appropriate stakeholders are being scheduled. Jerry Goldberg will remain as Interim Provost until a new person is named. The president also announced that efforts are underway to hire a Vice President for Inclusion, Equal Opportunity, and Diversity. This position will replace an existing Associate Vice President position. The search committee to identify appropriate candidates is chaired by Professor Rhonda Williams (Department of History).

### **Provost's announcements**

Interim Provost Jerry Goldberg announced that the Strategic Planning steering committee met recently for two half-day sessions. The mission/vision statement is undergoing "wordsmithing," and there have been several "town hall" meetings to discuss goals. By late March/early April, the steering committee expects to produce a statement of goals and strategic initiatives, and the associated metrics to be used to evaluate these efforts. The Executive Committee can expect to see a discussion draft of this material by the end of March when the metrics and further details have been established.

### **Chair's announcements**

Professor David Matthiesen reported that he attended the recent Board of Trustees' Academic Affairs and Student Life Committee meeting. At that meeting, a panel of undergraduate students spoke on "life at Case," and attendees participated in a dinner at Leutner Commons. Professor Matthiesen added that the AASL committee has expressed interest in the Case School of Engineering's proposal to modify the SAGES program for engineering students.

### **Results of survey of priorities with budget impact**

Professor Matthiesen announced the results of the survey designed to articulate the Senate's priority initiatives. Each Senate standing committee submitted their priority, the Budget Committee established a "price tag" for each submission, and the final list was vetted by the Executive Committee. Eighty-three percent of the Senators eligible to vote did so; the president, provost and secretary abstained.

Of a total of 141 votes, 50 supported an on-campus childcare center and 49 supported an increase in the faculty compensation pool to address compression, inversion and inequity; Professor Matthiesen noted that all issues submitted by the committees should be considered faculty priorities. He presented these results as well as a detailed explanation of the promotion and tenure process to the Board of Trustees, and reported that the board received the information in an encouraging manner. He added that President Snyder has already met with the chairs of the standing committees that submitted the top priorities (Faye Gary and Elizabeth Kaufman – Committee on Women Faculty, and Susan Case – Committee on Faculty Compensation) for their advice on how to proceed in addressing these concerns. Professor Matthiesen explained that the

Senate should expect to see a phased implementation these efforts, and responded to questions.

### **Report from the Secretary of the Corporation**

Jeanine Arden Ornt, Vice President and General Counsel, and Secretary of the Corporation, reported on the Board of Trustees meeting that was held in early February. At that meeting, the board elected a new chair, Bud Koch, who will take office at the October 2008 full board meeting. She responded to questions concerning Mr. Koch's credentials. Also at the February meeting, the trustees authorized the initial phase of planning for a capital campaign, and renovations in Leutner Commons and the Robbins Building. The trustees heard reports from the Case School of Engineering and the Faculty Senate, and were updated on activities at the new Alumni House.

### **Report from the Executive Committee**

Professor Glenn Starkman, Chair-elect of the Faculty Senate, reported on the February 14 Executive Committee meeting. Prior to that meeting, the committee endorsed, on behalf of the university, "ScienceDebate2008" initiative. Professor William Deal, the committee's liaison to the University Undergraduate Faculty (UUF) Executive Committee, reported that the UUF has devoted significant time this academic year to self-reflection but has not articulated proposed changes in its structure, function or mission. He reported very little "buy-in" among the faculty as a whole, but resistance from the UUF Executive Committee to disband the organization. The UUF leadership is to deliver a report to the provost in April.

### **Report from the Research Committee**

In the absence of Professor Carol Musil, Chair of the Senate's Research Committee, Professor Cynthia Beall reported on the February 25 Research Council meeting. At that meeting, Interim Provost Jerry Goldberg stated that the consultant retained to search for a replacement for Eric Cottingham, Associate VP for Research, has recommended that in addition to the replacement, the university also consider a new half-time position for a faculty member to join that office.

Jerry Goldberg and Cyrus Taylor, Dean of the College of Arts and Sciences, informed the council that the Strategic Plan ultimately should define "who we are and what we do." Administrators anticipate possible negative reactions in the next few weeks as individuals, departments, or schools find that their own strategic plans may not overlap completely with the university's plan. They also emphasized that the goal is inclusion and alignment of interests while recognizing that not all initiatives can be accomplished immediately.

Chuck Rozek, Dean of Graduate Studies, gave an update on progress toward establishing the interdisciplinary Systems Biology program. This program requires approval from committees in the School of Medicine, Case School of Engineering, and College of Arts and Sciences. The medical school curriculum committee had substantive constructive comments about the program itself, but refuses to approve the program before the financing is in place. Provost Goldberg and the Research Council members thought it should be possible to separate approval of the program from the question of funding, which is estimated to cost \$500,000/year for graduate student support. The discussion of funding the Systems Biology program prompted a lively exchange about the decision-making process for the university's spending priorities. Professor John

Clochesy, Chair of the Senate's Committee on Graduate Studies, added that all proposals for academic programs must be funded to be approved by that committee.

### **Report from the Budget Committee**

Professor Ken Ledford, Chair of the Senate's Budget Committee, provided highlights of the report distributed with the pre-meeting materials. That report, which is attached to these minutes, details the discussions that took place at the February 6 and February 20 Budget Committee meetings. One highlight was the five-year budget plan update, which indicates a \$1.9 million net undergraduate tuition shortfall in FY 2008. This shortfall will be covered by contingency funds in the UGEN budget, though this continues to be a matter of great concern for the schools that are heavily dependent on tuition income.

### **Report from the Committee on University Libraries**

Professor Paul Salipante, Chair of the Senate's Committee on University Libraries, informed the Senate of a policy recently adopted by Harvard University concerning "Open Access" to the products of scholarship. The text of that policy and further information on this topic as it pertains to Case Western Reserve University is attached to these minutes. Professor Salipante and Dr. Joanne Eustis, Director of University Libraries, responded to questions concerning the dissemination of scholarly work, open access fees, how publishers are responding to these issues, and the concept of an Office of Scholarly Communications on campus.

### **Report from the Business Policies Taskforce**

Professor Glenn Starkman, Chair-elect of the Faculty Senate, reported that a "Business Policies Taskforce," which he is chairing, has met twice to review the university's business policies. At the Board of Trustees' request, President Snyder appointed this taskforce to review those policies that have an impact on faculty. The taskforce will provide assessment of these policies to the Faculty Senate Executive Committee and other Senate committees as appropriate, and report to the Board of Trustees' Audit Committee in June. In fall 2008, educational programs will be available on campus to raise awareness of these policies. A website will be developed to provide detailed information and a list of contacts to address questions and concerns.

### **Discussion of proposal to alleviate classroom shortage**

Professor Don Feke, Vice Provost for Undergraduate Programs, informed the Senate that the University Registrar has reported a shortage of classroom space around mid-day. He referred to the material distributed in the pre-meeting mailing, posed the possibility of eliminating the Provost's Hour, and responded to questions and comments. David Poerschke, the Senate's undergraduate student representative, shared the views of the Undergraduate Student Government (USG). A recent USG proposal would permit graduate-level courses to be scheduled in the Provost's Hour timeslot. Professor Feke asked that further suggestions be forwarded directly to him.

### **Presentation by Vice President for Enrollment Management**

Mr. Randy Deike, the university's Vice President for Enrollment Management, delivered a power point presentation highlighting various aspects of undergraduate student admission and financial aid. He articulated goals, with particular emphasis on the quality and size of each first-year class and the discount rate (net tuition revenue). In terms of quality, there is concern that,

over the past two years, the university has experienced a 34 point decline in the average SAT score of incoming freshmen (fall 2007 average SAT 1301), and a decline in the overall academic credentials of applicants. Mr. Deike provided comparative data (2005 to 2007) on the number of applicants, admitted students, and yield rate by SAT score, which demonstrates that high scores produce low yield and lower scores produce higher yield. He also offered information on merit scholarships and family income relative to recent incoming classes.

Mr. Deike shared issues to be considered when gauging the size of the freshman class: quality, infrastructure (housing, classroom and laboratory facilities), faculty resources, the optimum critical mass of the “Case community,” and revenue. He also presented detailed information about the discount rate and the challenges currently facing the financial aid office, including the critical need for funded financial aid. He summarized by presenting outcomes from 2004-2007, and comparative information from peer institutions. Future plans for the strategic use of resources for recruitment include strengthening the Case community involvement in recruitment and strengthening relationships with alumni to more effectively engage them in the recruiting effort. Mr. Deike responded to questions and comments.

### **Adjournment**

Upon motion, duly seconded, the meeting was adjourned at 5:30 p.m.

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Susan J. Zull  
Secretary of the University Faculty

**Case Western Reserve University**  
Cleveland, OH 44106

**Report of the Faculty Senate Budget Committee  
to the Regular Meeting of the Faculty Senate**  
Thursday, February 28, 2008, 3:30 p.m.

Since its last report to the Senate, the Faculty Senate Budget Committee has met twice, its seventh Regular Meeting on February 6, 2008, and its eighth on February 20, 2008.

At the February 6 meeting, Vice President Ash presented preliminary results of the Second Quarter Forecast and indicated that the FSBC would receive the final report at its February 20 meeting. Early indications are that the rate of overhead recovery in the School of Medicine has increased after trending downward at the First Quarter Forecast. On the other hand, an unexpected increase of unfunded undergraduate financial aid had arisen in the Fall 2007 semester in the amount of \$820,000, and in the Spring 2008 semester of \$1,100,000. Three factors contribute to this \$1,920,000 additional cost of financial aid. First, the State of Ohio in Spring 2007 reduced the Ohio Choice Awards for Ohio residents attending private Universities from \$900 to \$600, resulting in a loss of \$480,000 in revenue. This change had been known while the FY 2007-08 budget was being made, but it was not included in the revenue assumptions. Second, the University's arrangement with the Cleveland Scholarship Fund to provide scholarships to students from the Cleveland Metropolitan School District has *not* resulted in the increased philanthropy built into its assumptions, converting it into an unfunded rather than funded discount, and contributing \$500,000 to the shortfall. Third, our current student body is simply needier, whether as a result of recruitment efforts or as a result of downturns in the economy, accounting for the balance of the shortfall.

CFAO Sadid indicated that he is pursuing a business process change to create and conform to more fixed and firm deadlines for applying for and collecting financial aid in a given semester, which will make tuition revenue estimates more reliable in the future. He added that the shortfall for FY 2008 will be borne by UGEN rather than distributed to the undergraduate schools, and that despite that the University's total deficit should hold to the \$10,500,000 budgeted. Vice President Ash indicated that tuition revenue assumptions for FY 2009 were being adjusted downward to account for greater unfunded financial aid (i.e., revenue assumptions are being reduced). Committee members and administrators alike agreed that current national financial environment is not favorable and that this issue warrants close attention.

The FSBC engaged in substantial discussion of a communication from the Budget Committee of the College of Arts & Sciences expressing both substantive concern about a decision by ITS to move in Fall 2008 to a system of assigning students to Gmail accounts (free to the University) unless they opt out and choose University email, and the budgetary implications of such a decision given the indirect cost allocation formulae by which the management centers pay for services from central administration. A lively discussion followed. Subsequent to the meeting, the Chairs of the FSBC and FSCIR agreed to a joint meeting of the two groups, which will occur on Wednesday, March 5, 2008.

Senior Vice President Bruce Loessin and Associate Vice President Kaye Ridolfi made an extensive presentation on progress toward a capital campaign. Ridolfi presented two reports from external consultants, one from donor base consultants Blackbaud on the University's donor base, and one from staffing and operations consultants Eduventures on the staffing and structure for a campaign. Campaign consultants Marts & Lundy are providing overarching guidance. Like all capital campaigns, there will be a shorter leadership or silent phase and a longer public phase. The advice is to try to keep the leadership or silent phase as short as possible, and indeed to phase the campaign over a shorter span of years than sometimes is the case. Also as typifies capital campaigns, the goal will be a pyramid, with a smaller number of higher-dollar transformational gifts, a mid-range of major gifts, and then a broad base of individual gifts. Loessin reported his intention to present to the Board of Trustees at its February 22-23, 2008 meeting a resolution to begin the planning phase of a capital campaign, the final step before endorsing a capital campaign with a stated goal and schedule. The meeting adjourned at 5:30 p.m.

At its meeting on February 20, the FSBC received a report from Provost Goldberg on the University Strategic Planning process, indicating that the University Plan Steering Committee will seek to have a "strawman" draft planning document in the hands of the school Steering Committees by early March for comment, critique, and change. There will be a renewed series of Faculty Forums by the third week in March and a presentation to the Faculty Senate, before all that feedback will be gathered by the University Plan Steering Committee, resulting in another iteration of the plan. School plans can also be revised in light of the draft University plan.

In the absence of Vice President Ash, who was ill, Vice President Leitch reported on the results of the Five-Year Budget Plan update. Four items of note emerged: First, because of the \$1.9 million net undergraduate tuition shortfall in FY 2008, the planning assumptions for that revenue stream for the FY 2009 budget (which is the first year of the updated Five-Year Budget Plan) will be adjusted *downward* by \$3.0-4.0 million; second, the Five-Year Budget Plan for the School of Medicine had been referred back to that unit to conform with its Financial Recovery Plan, to account for continued downward pressures on overhead cost recovery; third, the Board of Trustees will be asked at its February 22-23 meeting to permit a continued additional payout from the endowment of 60 basis points (plus \$2 million in FY 2009) to fund the upcoming capital campaign; and fourth, in the FY 2009 budget as the non-federal fringe benefit rate is projected to be reduced from 29.5 to 28.5 percent, but that UGEN may propose to capture some of that reduction in order to fund more adequately central administrative functions that at present are insufficiently robust.

Vice President Leitch then reported on the FY 2008 Second Quarter Forecast. The most significant change from the First Quarter Forecast was the discovery of an additional \$1.1 million in added cost of undergraduate financial aid, reducing net tuition flow; for FY 2008, the whole \$1.9 million shortfall will be covered by contingency funds in the UGEN budget. The effective rate of overhead recovery remains low, especially on subcontracts; the final practice plans under the new affiliation agreement were absorbed on December 31, 2007, and the last reserve for questionable receivables has been booked. An attribution error on a pre-paid annual \$500,000 gift to the School of Medicine has contributed to a shortfall of unrestricted gifts in that

school. The new “hard close” as of December 31 helped to focus on a number of these issues, meaning that they are known now rather than closer to or even after the close of the fiscal year.

Vice President Leitch reported on the PADS data for grant applications and awards through January 2008, which confirm the trends so far this year of tracking the immediate past years without upward improvement or downward departures. She then presented the revenue assumptions for the FY 2009 budget, which will include a higher rate of unfunded undergraduate tuition discount than included in the Five-Year Budget Plan assumptions, resulting in lower tuition; account for the end of the ACES grant; and include only modest growth in research and philanthropy.

The meeting ended with a lively discussion of the practice of collecting overhead recovery on graduate student tuition remission in federal grants by paying tuition to students as wages in lieu of tuition, led by CFAO Sadid and Controller Laurie Melville. While the University is in the minority in this policy, other major universities such as Duke follow the same practice. The University has an opinion from outside counsel to the permissibility of this practice. Ending of this practice would result in a loss of \$1.4 million in revenue, with the largest loss, some \$900,000, coming to the CSE. CFAO Sadid observed that this is really an issue in the domain of deans, who should discuss with their faculty whether such a practice makes their grant applications less competitive because of the overhead charge, and he suggested a discussion at the level of the deans of the schools. Members of the FSBC posed a number of questions but considered no recommendation for action.

The meeting adjourned at 5:30 p.m.

In future business, the FSBC will hear from Randy Deike, Liz Woyczynski, and Don Chenelle on March 5 with regard to undergraduate recruitment for Fall 2008, longer term plans for undergraduate recruitment and admissions, and issues regarding financial aid and the unfunded discount rate. On March 19, the Committee will hear from Hossein Sadid, Sally Staley, and Bob Brown about investment performance, debt management, and investment policy.

Respectfully submitted,  
Kenneth F. Ledford, Chair  
Associate Professor of History and Law