

- Meeting: Faculty Senate Meeting May 14, 2014 Wooten Hall 322.
- Present: Eric Biglaiser; V. Barbara Bush; Douglas Campbell; William Cherry; James Conover; Barbara Cox; Shelley Cushman; Jesse Eschbach; Robert Figueroa; Francisco Guzman; Pam Harrell; Paul Hutchison; Leon Kappelman; Rachel Mitchell; Maria Muñiz; Seifollah Nasrazadani; Phil Paolino; Audhesh Paswan; Dan Peak; Elizabeth Prosek; Patricia Reese; Brian Richardson; Dorian Roehrs; Jyoti Shah; Farhad Shahrokhi; Jeffrey Snider; Srinivasan Srivilliputhur; Manish Vaidya; Mary Ann Venner; Mark Vosvick; Laura Waugh; Karen Weiller.
- Absent: Kim Baker; Cindy Batman; Erica Boykin; Sheri Broyles; Jennifer Callahan; Charles Conley; Patricia Cukor-Avila; Jeff Goodwin; Jennifer Lane; Fang-Ling Lu; James Quinn; Jae Jae Spoon; Guido Verbeck; Dale Yeatts; Oksana Zavalina.
- Guests: Neal Smatresk, President; Bob Brown, Vice President for Finance and Administration; Warren Burggren, Provost and Vice President for Academic Affairs; Yolanda Flores Niemann, Senior Associate Vice Provost; Celia Williamson, Vice Provost for Transfer Articulation; Christy Crutsinger, Vice Provost for Faculty Success; William Moen, Provost's Office; Julie Glass, Provost's Office; Martin Halbert, Dean of Libraries; Laurel Crawford, Libraries; Sian Brannon, UCC; Matt Zabel, URCM; Ernestina Bousquet, URCM; Erin O'Toole, Libraries; Mandy Rausch, Registrar's Office; Jenna Duncan, Design Research Center; Richard Ruderman, Political Science Department; Terry Clower, Economics Department.
- I. Welcome The meeting was brought to order at 2:00 PM.
- II. Approval of Minutes (4/9/14) *Senator Kappelman made a motion to accept the minutes and Senator Peak seconded the motion. The April 9, 2014 minutes were approved. There were two technical abstentions.*
- III. Election of Senate Officers for 2014-2015 *Senator Weiller nominated Senator Conover for Faculty Senate Chair. Senator Figueroa seconded the motion.*
- Senator Kappelman nominated Senator Peak for Chair. Senator Peak declined.*
- Senator Hutchison nominated V. Barbara Bush for Faculty Senate Vice Chair. Senator Paswan seconded the motion.*
- Senator Kappelman nominated Dan Peak for Faculty Senate Vice Chair. Senator Reese seconded the motion.*
- Senator Peak nominated Pam Harrell for Faculty Senate Secretary. Senator Shahrokhi seconded the motion.*

Senator Weiller made a motion for election by acclamation for Senator Conover and Senator Harrell. Senator Cushman seconded the motion. The motion passed unanimously.

Senator Peak withdrew his nomination for Vice Chair.

Senator Kappelman made a motion to accept Senator Bush as Vice Chair. Senator Mitchell seconded the motion. The motion passed unanimously.

- IV. Faculty Senate Discussion on University Budget
- The Faculty Senate discussion focused on the following questions: (1) Why do we continue to have budget problems? (2) What about legal accountability?

One Senator asked about the basis for merit raises with regard to accounting personnel involved in the budgeting problems. He indicated that one individual who received a 12% raise was directly involved in the weak accounting practices which caused the budget problem.

Another Senator asked, what oversight will come into play as we move forward?

Finally, with regard to the important role tuition funding, How does increasing the ACT/SAT requirements help or hurt our opportunity for increasing funding through enrolment?

- V. President Neil Smatresk and CFO Bob Brown

President Smatresk

President Smatresk stated that UNT has lacked processes around some critical financial functions. He addressed the question, “How did UNT arrive at this financial crisis?” He indicated that we were experiencing a financial deficit because of assumptions that were made over a period of years. Although the annual revenue flow was solid the way we budgeted for the use of this revenue was not. For example:

The proportional benefits issue, the way revenues were forecast, practices which were based on utilizing 100% of the budget, and certain investments were included as historical problems which led to the current budget program. These practices left no funding when an unscheduled financial obligation appeared. The deficit spending of many years resulted in drawing on reserves. The bottom line is that somewhere in our reserves a journal entry was made that attempted to gather about \$20 M of bad debt and put in together in a way that was scored as part of our bank account.

However, revenue growth over the next years will occur because of enrolment growth and tuition increases. Next year we will take revenues from last year and use this number as a starting point for budgeting. \$5M will be taken off the top and placed in the bank to build the reserves back up. In addition, 2.5% of the budget will be held back in order to rebuild the bank account and to use as a contingency fund. Budgets going forward for Academic units will be cut 2%, but this cut will not be implemented across

the board, Rather the cuts should be differential cuts. Units with low performance may receive deeper cuts.

Administrative units will be cut by 3% or more. So far one administrative line has been eliminated and another may be eliminated as well.

The President's Cabinet (financial council) was asked where savings might occur and also the question of where should we be spending money? With the help of Allen Clark, the questions were investigated in a line-by-line review of the budget categories. The President stated that at this point, we have hit the financial bottom, and we will be able to make strategic investments next year.

Regarding merit, there is a long-term history of no merit raises. Next year, there will be a nominal investment making small salary adjustments which will be across the board increases. Even in a time of financial belt-tightening, it is important to hold money back to take care of faculty in light of the market.

Finally, those individuals who allowed this financial problem to occur are no longer employed at the university. This is not a smoking gun, but rather was characterized as neglect.

Bob Brown – CFO

Bob Brown is a former UNT graduate and the new CFO. He identified four tracks that are part of an overall plan to resolve the budget issue.

The first track is to make sure revenue and expenses are in line. The predictions used in the past were neither sophisticated nor helpful with regard to the creation of a budget.

The second track relates to how we do our financial reporting. Mr. Brown characterized this as “more than cash in and cash out.” The \$23 M in accounts receivable cannot be identified as legitimately collectable.

The third track is strong financial controls. The control processes did not keep up with the growth of the budget. Initiatives like privatisation, revenue expenses, financial statement presentation and generally accepted accounting statements will play a major role in future planning for the budget.

The fourth track is represented by processes, particularly the technology processes. What we do today is similar to what we did a decade ago. “This is like someone who places information on spreadsheets and then describes it to users.” A more robust and discrete process is needed in order to help people get information they need to make decisions. Financial positions represented to the public will take place in October.

President Smatresk

There is a rumour that the UNT System has a pending financial disaster at the law school. It was stated that we will pay what is equitable and reasonable, that there will be payment for services instead of shared services. For example, we need to expect that the service is accountable to us and that we receive good value for it. UNT will now charge rent to the UNT System for use of UNT facilities. There is no set of expectations placed on a service. In the future there will be formal and written expectations. For example, we don't have service level agreements with the UNT System and we need them. We also had no system audit, control or officer.

Another area that will be changed is the EIS system of information technologies which will have the toggles reset as custom changes may have allowed UNT to avoid generally accepted accounting principles.

How serious is this budget issue on the UNT image, enrolment and fund raising? Presently, we are not getting a lot of press, but there will likely be more bad press as news about the deficit rolls out.

A Senator asked about the option of outsourcing services (not the ones we pay to the UNT system). At an internal level, if we could get a better outcome, outsourcing might be used.

- VI. Faculty Senate Discussion on changes on Research Funding
- A question about capturing of indirect costs (IDC) associated with grants. It was further stated that these captured funds would be used to fund TAs. Why would money from research be used for TAs?
- Regarding the capturing of IDC, Senator Peak made a motion to suspend the agenda and allow VP McCoy to address the question regarding the capture of IDC. The motion was seconded by Senator Kappelman. The vote was unanimous.*
- VII. Changes on Research on Campus (Tom McCoy)
- VP McCoy stated that there has been a discussion of placing a 2-3 year limitation on funds designated for start-up packages. There is no discussion of capturing IDC from faculty members who have grant IDC accounts.
- One senator indicated that he did not receive his start-up package as promised, and instead it was distributed over a period of six years.
- The Provost explained that start-up packages extend money on request and that as the money is requested is added to the faculty member's account. It is distributed on a drawdown basis.
- A senator asked about the early career grants that disappeared this year and suggested that some faculty have lost the opportunity for a grant. Specifically, faculty hired during 2013 and after were assured 3 years of summer research grants. A faculty member who started in 2012 though he should have the opportunity to be funded. The Provost stated that every

faculty member who applied for a junior faculty research grant received a grant. Now, equivalent money (\$5000) can be used the 1st or 2nd year junior faculty member to jumpstart their research agenda.

A faculty member, who applied for a creativity grant that was rejected, did not receive feedback on the grant. VP McCoy indicated that within the committee who recommended the awards, there were evaluations and debate which can be captured and provided to the faculty member. Dr McCoy suggested that the faculty member contact his office for a response.

One senator asked that non STEM faculty be provided with information about grants for which they may now apply. McCoy indicates there were 46 applications this year and would work to advertise these grants to faculty.

There have been positive reviews of changes in Research Services. There is a new Assistant VP, Ann Rodela who will play a key role in creating an office that is based on efficiency and service to faculty. In the near future, there will be teams assigned to colleges who will carry the award through pre-award to post-award.

VP McCoy asked that the Senate consider an ad-hoc advisory committee for the Office of Research Services. This committee could start work this summer. He also wants to explore Tech transfer opportunities.

VIII. Policy Review
(Yolanda
Flores
Niemann)

The work of the policy review committee was so good that when it went through the legal review, there were no changes.

There are 84 policies under review. Two policies have been approved and 3 policies have been submitted to the university policy committee. Seven policies have been presented to the full senate and 22 policies have been written and are going through the process. Other policies have been written, or processed by the Provost office or need writing groups to be created (e.g., early retirement of faculty, shared governance, Academic Graduate Faculty Membership, Honorary degrees and Emeritus Status).

Four policies will become guidelines, one policy was transferred, 11 policies were deleted, and 12 policies are in compliance with no action needed.

IX. Policy Review
Committee (V.
Barbara Bush)

Approval of Policies Read on April 9, 2014 [vote]
Senator Kappelman made a motion that we vote on the policies as a block. The motion was seconded by Srivilliputhur. The motion passed with one technical abstention.

15.1.12 – Faculty Leave of Absence without Pay
15.1.14 – Payment of Nine-month Contract
15.2.7 – Grade Appeals
17.2 – Library Loan Policy
17.3 – Universities Archives
17.4 – Deposit of Texas County records

18.1.20 – Continuous Enrolment

Reviewed policies reading

6.1001 Evaluating, Awarding and Accepting Credit

10.16 Space Management, Planning and Assignment Policy

15.1.10 Tenured Administrators Returning to Full-time Academic Status

15.2.4 Safety in Instructional Activities

15.2.5 Student Attendance Policy

15.2.16 Pre-finals days, Reading Day, and Final Examinations

A motion was made by Senator Cherry to send Policy 15.2.16 Pre-finals days, Reading Day, and Final Examinations for a parallel review by the academic affairs committee. The motion was seconded by Senator Srivilliputhur. There was 1 abstention.

The following policies have been recommended for deletion - reading.

15.1.31.2 – International Teaching Assistant/Teaching Fellow Language Certification Program

15.1.31 – Teaching Personnel Whose Primary Language is not English

15.2.1 – Accelerated Courses

15.2.9 – Required Course in History

15.2.10 – Required Courses in Government or Political Science

15.2.15 – Aerospace Science

16.0.1 – Institutional Funding for Faculty Creative and Scholarly Activities

16.9 – Sunset Review of Organized Research and Service Units

18.1.3 – Student Requirements

18.1.4 – Correct Address

18.1.5 – Two-year College Transfer Credits

18.2.1 – Resident/Non-residents General Rules

18.3.4 – Federal Programs

- X. Spring 2014 Election Results (Terry Clower) There are currently 38 positions with 16 positions that need to be filled.
Faculty Senate - 6
Graduate Council - 1
Faculty Development Leave - 3
University Review Committee - 2
University Promotion and Tenure - 4

A motion was made by Senator Kappelman for the call to go out to fill these positions. Senator Cox seconded the motion. The motion passed.

- XI. Jim Conover (Update Committee on Committees) [Vote] A call was made for a new chair of the Committee on Committees.

- XII. Sian Brannon, UCC [vote] There has been a name change to University Undergraduate Curriculum Committee. *Senator Cox made a motion to accept the minutes from the*

UCC. Senator Mitchell seconded the motion. The motion passed.

- XIII. Highlight of a Faculty Senator Pam Harrell
Senator Harrell was profiled. The presentation will be available on the Faculty Senate website.
- XVI. Adjournment
Motion to adjourn. The meeting adjourned at 4:00 PM.