

The University Senate met in special session at 3 pm on Monday, October 30, 2017 in the Athletics Association Auditorium of W. T. Young Library. Below is a record of what transpired. All votes were taken via electronic voting devices unless indicated otherwise. Specific voting information can be requested from the Office of the Senate Council.

Senate Council Chair Katherine McCormick (ED) called the University Senate (Senate) meeting to order at 3:00 pm.

The Chair called for an attendance vote and 63 senators registered their presence.

1. University of Kentucky: Current Status and Future Direction - President Eli Capilouto

President Eli Capilouto thanked the Chair and senators for their attendance at the specially called meeting. The President offered senators some initial comments and then asked Provost Tim Tracy to share second-year metrics related to UK's Strategic Plan 2015-2020. Provost Tracy described UK's activities in the five strategic objectives (Undergraduate Student Success; Graduate Education; Diversity and Inclusivity; Research and Scholarship; and Outreach and Community Engagement), offering detailed data about each objectives' individual metrics (e.g. undergraduate retention, doctoral program selectivity, enrollment percentage of underrepresented undergraduate and graduate students, and license growth and income generation).

There were a few questions related to Provost Tracy's comments. In response to Brion (EN), the Provost confirmed that UK had adjusted retention and other data to match up with the October 15 census date, which resulted in UK's time periods being more consistent with those of other universities. Grossman (AS) suggested that having raw numbers in addition to percentages would be more informative. Provost Tracy said he would work to make the raw numbers available. Bird-Pollan (LA) asked for information on how the baseline numbers were developed. Provost Tracy responded that some of the baseline numbers were simply a snapshot of the then-current situation when the Strategic Plan 2015-2020 was developed. Some baselines were from 2014 and some were from 2015; it depended on the particular metric and how information was processed over the course of a calendar year as to which year served as the baseline. He added that some of the goals were aspirational and were projected out with the then-current success rates, although some such goals were not enough of a stretch. Therefore, some goals were more challenging than what the expected growth model predicted. In response to a follow-up question from Bird-Pollan, he said that the numbers did not include information from professional schools. In response to a question from Pakath (BE), the Provost explained that smaller numbers in the metric "Doctoral Program Selectivity" (Graduate Education objective) indicated higher selectivity.

When there were no further questions, Provost Tracy continued with the presentation. Shortly thereafter, Guest Eric Monday, executive vice president for finance and administration, then shared financial information with senators regarding expected future challenges, disruptions in higher education, UK's consolidated operation budget for 2017-18, and the manner in which the 2017-18 funding gap was closed. Executive Vice President Monday then walked senators through a variety of financial scenarios involving possible increases and/or decreases in tuition, enrollment, state funding, and salary increases. There were a number of senators who asked questions after Executive Vice President Monday's portion of the presentation.

Monday confirmed for Brion (EN) that the monies initially withheld from UK by Governor Matt Bevin had been restored and were included in the financial calculation. Tagavi (EN) asked a question for Provost Tracy – Tagavi expressed concern that there could be a future scenario in which tuition for degrees that

did not lead to obviously well-paying jobs would be lower than for other degrees. He also worried about an extension of his concern, in which Kentucky's state leadership could advocate for the closure of degree programs that did not lead to high-paying jobs. Provost Tracy acknowledged Tagavi's comments, but noted that due to the current application of course fees for courses in certain colleges, including the College of Engineering, there was already differential pricing based on degree program. Cross (CI) asked Monday about the prognosis of the upcoming legislative budget session and state appropriations for UK. Monday responded that Kentucky has very distinctive needs and that some of its largest dollar figures, such as those relating to the state pension system, were not yet known. He said that the impact on UK was not yet known but that he and others would continue to tell the UK story and UK's value to individuals and to the economic development of the overall Commonwealth.

Blonder (ME) asked if Executive Vice President Monday anticipated an increase in UK's contribution to employee benefit costs and if so, if those contributions were factored into the financial models in the presentation. Monday replied that when the model was run with a 2.8% salary increase, the figure was inclusive of benefits related to that increase. He noted there was an assumption that employees understood that UK has funded all of the benefit increases for the vast majority of employees for many years; it was his intention that UK would continue that practice. D. Jones (ME) recalled the days when nomenclature regarding "faculty lines" was common throughout campus, along with the assumption that salary funding for tenured and tenure-track faculty was secure. He asked where salaries for faculty figured into the presentation slide describing UK's consolidated operating budget – did such money come from tuition, state funds, or "other undesignated" funds, or from another area. Provost Tracy acknowledged that faculty lines, per se, did not really exist anymore. Funding for salaries is drawn from a variety of the sources noted on the slide to which that D. Jones referred. In response to a question from Warshawsky (NU), Provost Tracy explained that while the University as a whole had certain targets pertaining to what percentage of students enrolled were from within Kentucky or were out-of-state students, there had been no effort to encourage individual colleges to enroll either in-state students or out-of-state students – that was a University-level activity.

President Capilouto returned to the podium and finished the presentation. He talked to senators about future trends in higher education nationwide and in Kentucky. His final slide included "Six Paradoxical Questions" that were developed during the October 2017 Board of Trustees retreat.

- How do we teach critical thinking and develop the whole person for a lifetime of learning, while at the same time we provide specific skills a graduate needs to get started in a career or retrain for a new career?
- How can we grow student enrollment and improve quality amid a dramatic change in the students we serve?
- How do you serve both residential students through traditional learning models and online students through distance learning with high-quality education?
- How do we effectively balance core/basic fundamental learning, while at the same time encouraging/promoting lifelong learning?
- How can we take risks while following rules and regulations?

- How can we make education affordable and not affect the quality of educational infrastructure/experience?

During the retreat, trustees met with select staff and faculty and engaged in small group discussions. Towards the end of the retreat, each group was asked to develop a paradoxical question to help encapsulate each group's discussions and thoughts. The President commented that it was not clear if the six questions were the areas in which UK would be moving, but that it was an effort on his part to better understand the issues UK faces and to begin conversations that would continue into the future. He said he would work with the Chair to find the best ways to have discussions and engage as many people as possible. President Capilouto then solicited questions from senators.

2. Q&A with Senators

Pool (AS) said he remembered a time about three years ago when there was significant movement towards renovating aging buildings in UK's central campus. He noted that the activity seemed to have stalled, for obvious [state budgetary] reasons and asked about the prospects of continuing that activity. President Capilouto responded that UK undertook what construction it could finance without taking on a lot of debt. The request for construction funds made to Kentucky's legislature that Pool recalled was for approval for UK to contribute \$125 million and for the state to contribute the same amount. When all was said and done, however, the legislative permissions that UK received was for projects in the amount of \$60 million and that it would be funded entirely by UK. The President said that it had been necessary for UK to narrow the renovation priority list, although that list still remained a priority.

Bird-Pollan (LA) commented that sometimes universities are focused on measuring income and financial well-being and that seemed to miss a lot of the value that is produced by earning a degree. She noted that some students who graduated from the College of Law have very high job satisfaction, but not necessarily a high income, depending on the fields into which they are employed. She asked President Capilouto if he could communicate to legislators that job satisfaction can be as important to graduates as is salary – she said that it was more than an economic issue. President Capilouto replied that that sort of value is what he included in the term “civic rent.” That term was intended to include how a person enriches their own community. He said that the reason people focused on economic and salary data was because that data was available. It is now possible to look at a 1980 university cohort and study income over a 35-year period. He said another important component is for incoming students and parents to understand if a university was able to prepare the student for a life of meaning and purpose.

Visona (FA) thanked President Capilouto for speaking about community building. She said she was concerned about her perception that people were moving away from thinking of a university as a common good and instead focusing on what exactly a university will do for the state it is in. The President replied that he thinks people do recognize the values (in addition to economics) that a university brings. He explained that when parents are considering mortgaging their home to ensure their child has a good education, the parents want to be sure their child will end up with a standard of living that is better than what the parents had. He referred to various initiatives that allow someone to earn an associate's degree or bachelor's degree at a cost much lower than that of UK, but there were trade-offs. The President opined that when people look at lower-cost alternatives, they will ask about value and UK needed to be able to show the value of a UK education.

Schroeder (ED) asked what President Capilouto envisioned as “next steps.” President Capilouto said that he had some ideas that involved engaging groups of people, but he wanted to listen more to help determine how best to act; that being said, it would not be wise to wait months or a year to act. He

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suggested senators share their ideas with the Chair on how to move forward. Grossman (AS) asked how to maintain UK's research mission in the face of some of the challenges mentioned. He noted that while he did not think it would be a good idea, costs could be drastically cut if UK were to drop its research mission. Federal funding is making it harder to earn grants. He added that the increasing costs of faculty start-up packages was another challenge that needed to be addressed. President Capilouto said that those were all important considerations and needed to be addressed. Some units lend themselves well to external funding and they will need to compete and excel to earn that sort of funding. UK needs to find ways to reward and support what individual units are able to do. Mazur asked for more explanation about the paradoxical question pertaining to following rules and taking risks. The President indicated that he did not have the answer for that particular question because it was drafted by one of the groups during the Board of Trustees retreat and that his administrative team did not participate in the groups creating the questions.

President Capilouto thanked senators for their time and departed. The meeting was adjourned via general consensus (and exodus from the room) at 4:35 pm.

Respectfully submitted by Ernie Bailey,
University Senate Secretary

Invited guests present: Eric Monday.

Absences: Bagh; Bailey, P.; Beck; Birdwhistell; Brennen; Cantrell*; Cassis; Cheng; Childress; Cofield; Collins; Couti; Cox; Cramer*; Cross; DiPaola; D'Orazio; Duncan*; Dziubla; Ederington*; Escobar; Feist-Price; Fields*; Flaherty; Forren*; Freeman; Gent; Griffin; Grossman; Gunasena; Hall; Harris; Heath*; Holloway; Howe; Iocono; Jackson; Kellum; Kennedy; Kerns; Knutson*; Kornbluh; Lauersdorf; Limperos*; Lovan; Luhan; Mardini; McCormick; McGillis; Miller-Spillman; Morey*; Mudd*; Murray; Noland*; O'Neil; Regard; Richey; Rohr; Sandmeyer; Scaggs; Sheff; Spear*; Stallins; Stevens*; Urschel*; Vernon; Vosevich; Wilson, M.*; Wilson; Witt; and Zadeh*.

Prepared by Sheila Brothers on Wednesday, November 1, 2017.

* Denotes an absence explained prior to the meeting.