

Xcript 9-13-10 Senate.txt
UNIVERSITY OF KENTUCKY
SENATE COUNCIL MEETING

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SEPTEMBER 13, 2010

3:00 P.M.

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SENATE COUNCIL OFFICE
LEXMARK PUBLIC ROOM
ROOM 209, MAIN BUILDING
LEXINGTON, KENTUCKY

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HOLLIE CHAIR, CHAIR
DEBRA ANDERSON, VICE-CHAIR
KATE SEAGO, PARLIAMENTARIAN
SHEILA BROTHERS, ADMINISTRATIVE COORDINATOR
LISA E. HOINKE, COURT REPORTER

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CHAIR:

We

are up to 55 and counting, so we

have forum today. Welcome to the first of the 2010 University Senate.

One thing I'd like to announce is that typically when we start out the new year we have the president, and you'll see he's not here. He's been summoned to the CPE, and we thought since budget and money is on everybody's mind, we invited Frank and Angie to tell us about the budget and financials.

But before we do that, we'll have a few announcements.

You'll also notice that instead of Sheila Brothers, I have Adrea here. Sheila this year was elected as our staff trustee, so Sheila is also at the CPE meeting.

So, first, introduction. My name is Hollie CHAIR. I'm your Senate Council Chair and in the Department of Pharmacology in the College of Medicine. Our Vice-Chair is Debra Anderson. She's in the College of

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Nursing.

Sheila Brothers, as I've already mentioned today, is our Administrative Coordinator. And Adrea is our assistant, and helping us out today.

And I'd like to introduce to our Senate Council, and remind you that this group of individuals work hard and I am really very privileged to be able to work with this group of people.

And so if you have any concerns or questions about how things are going, please don't hesitate to -- to interact with any of these kind folk.

Michelle is the person you saw at the door, and she just confirmed our quorum today.

Kate is our Parliamentarian, and she'll make sure that we're on track and I really am following Robert's Rules of Order.

Lisa is our court reporter today.

Our faculty representative for the Board of Trustees, Everett is here with us today.

Joe Peek is teaching. He'll be here at around 4:30.

And I'd also like to introduce Richard Greissman. Richard? Richard is the Provost Liaison to Senate Council, and what Richard does is help us overcome our common misunderstandings.

Our SGA representatives, Ryan Smith and Kyle Kirk.

Our Associate Provost for Undergraduate Education, Mike Mullen.

Our new Senators, we welcome 31 new Senators and, as many have told you, some are brand new and some are recurring but we'll call you all new for today.

When you want to speak, please stand and be recognized. So could we see the 31 new Senators today?

Thank you, and welcome.

Please give your name and affiliation when you speak, so your affiliation would be your college. Communicate with your contingency.

Now, we've had difficulties with this and we'll get into more detail as we go.

Attend your meetings, please. There is a Senate Rule where if you have more than three absences your Dean will be notified and will find someone else. It seems harsh but we need that representation.

Call for quorum. We've done that. We have excess of 45.

All right. For our minutes, we have minutes from April 12th and on May the 3rd. Could I have a motion for those minutes to be approved, please?

So moved.

GROSSMAN:

CHAIR:

O' HAIR:

Second?

Second.

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CHAIR: Did you say who you were?

GROSSMAN: No.

CHAIR: Could you, please?

GROSSMAN: Robert Grossman, A&S.

CHAIR: Second?

O'HAIR: Dan O'Hair, Communications.

CHAIR: Thank you.

So for announcements we approved the September 2009 list that KCTCS list of candidates for credentials on behalf of the Senate, and this was due to a clerical oversight, and I think that --

GROSSMAN: We need to vote on that --

CHAIR: I'm sorry, do we?

SEAGO: Yes.

CHAIR: Okay. Kate said yes. I apologize. Could we have a vote, please? All in favor? Opposed?

Thank you. So we approved the list on behalf of the Senate; due to a clerical oversight, it was not placed in the Senate agenda during the fall.

The Senate Council voted to allow distance learning approval via web transmittals so long as the required DL form are included with the proposal.

I have provisionally approved UK 90 for Fall 2010. Now, this already had Undergraduate Council approval, and what we'll do is we'll get the Senate Council and Senate approval done during this semester. But we needed to get this done for the advising (unintelligible).

In February we'll hear a report from the faculty Athletics Rep, Joe Fink.

The Oral Communications suspension ended with the incoming class of 2009. That was last year. The suspension did not have to be renewed, so this is a double negative. What that means is that this semester's incoming freshman do have an oral communications requirement. Okay.

We are trying to keep ourselves in line, the Senate Council, and to do this we are keeping a running list of action items, and unfortunately at the beginning of every meeting then Sheila reminds me what I didn't do.

So what -- one of the action items that we have on board is a pledge to create an ad hoc committee to identify a set faculty member to advise us, the Senate Council and the Senate, on legal issues. Anyone who is interested in serving, please e-mail Sheila Brothers.

We are considering additional charges for many of our Senate's committees, particularly these committees that have not met for years and we'll get into more detail of that. I'll be convening those committees, assisting in identification of a committee chair and share the charge with the Senate Council.

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So if you find that you are not on a committee, we really don't want you to be left out. We're trying to get everybody involved in a committee, have specific tasks and report back to this body. Please let us know.

We are thinking about changing the name of one of our committees, and we'll bring that recommendation to the Senate in the near future. And so the change that we're thinking about is changing the Advisory -- Admissions Advisory to Enrollment Management so that we can keep track of our admissions.

One of the things that we did this summer is Commend an Associate Provost for Undergraduate Education and Professor Susan Carvalho for their commitments to joint faculty-administrative collaboration with respect to our General Education efforts. Those efforts are really going well, and that's tremendous. But -- so thank you very much.

Lee Edgerton has been reappointed for one more year as Ombud by the Ombud Search Committee, and he'll be giving a report shortly.

One of the things we're trying to do is improve our communications, so we're in the process of forming a listserv for sending out Senate-related e-mails. We'll try to make this as painless as possible. If you have any concerns about whether or not this works well, please contact Sheila.

This is a very lengthy announcement. When an action is needed that normally requires Senate action, this announcement has been Davy approved, but circumstances compel that the action is completed before the normal Senate approval process can finish, then the Senate Council is authorized to act for the Senate to, one, vote to waive the rule requiring prior academic council action; and, two, vote to waive the 10-day posting rule; and, three, vote to directly approve the new course and so inform the Senate.

Now, what this has to do with is business that we have to carry out during the summer, and that in turn, actions that the Senate Council by circumstance has asserted its authority to perform can, by the voting Senate Council, be delegated to the Senate Council Chair, who when performing those actions shall inform the Senate Council and the Senate.

So we'll be informing you any time we have to do such necessary action during the summer.

All right. We've covered this, that a no -- we have a no absence policy. We'll be revisiting this rule in September and October.

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We have approved parallel ten-day postings for web transmittals.

We have a new Staff Senate Chair, Jan Burks, and I've been working with her so that we can identify joint issues.

Jan, could you stand, please?

One of the things that we're working on is to try to get some joint listening forums, and so Jan is working on getting those organized and we're trying to find those at prominent places within the University.

Any comments, Jan?

BURKS: No, just either let you or myself know if you have suggestions or questions about them.

CHAIR: The Rules & Elections Committee will conduct an election this fall to identify three faculty Senators to serve on the Presidential Search Committee. Faculty Senators will each have an opportunity to nominate up to three faculty senators. Then there is a campus wide election for the top six vote getters. Eligible campus wide voters are those faculty who are eligible to vote in their respective college election of senators.

So we'll try to keep you apprised on this situation as it occurs. The Board of Trustees will be meeting tomorrow, so we'll have a better idea of the time table of these events.

Ms. Prats with a Work-Life Survey

--

PRATS: Mister.

CHAIR: -- announcement -- pardon?

PRATS: Mister.

CHAIR: Mister. I'm sorry. I apologize.

PRATS: Whatever. Regarding -- this is my committee, right, so I'm serving on one already.

This is -- what do I have, five minutes to make a pitch for the staff and faculty work-life survey overview that Robynn Pease put together.

The staff and faculty survey is coming up in October, and it'll be online from the 5th to the 29th. Somebody let me if I blow one of these points here.

The survey will allow us to compare current data to a baseline data from 2005-06 work surveys.

These are, again, separate faculty and staff surveys. The survey covers a range of professional and personal concerns that obviously I think we all want to have on some sort of record.

It is, as I said, online October the 5th through the 29th. It is confidential, and confidentiality is maintained by the Office of Institutional Research. Individual responses will not be shared with anyone under any circumstances.

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The goal is to achieve 50 percent participation, but probably it'd be best to achieve over 50 percent which is the rate achieved in '05-06 in both staff and faculty surveys.

Just to give you an idea of how -- the good comes out of these surveys, out of the '05-06 survey came the development of various initiatives including expanded flexible work arrangements, family education, tuition discount programs, compensation review and adjustments based on time and position, tenure clock delay for major life events, sponsor dependent health benefits, new career development and employee assistance program services, as well as ongoing supervisory effectiveness and leadership enhancement initiatives.

Did I get it? Yeah.

So what we're asking is for administrators, faculty and staff to support the survey by, first, use and meetings and internal communications at whatever level to encourage all faculty and staff to participate and by affirming the University Administration's emphasis of the importance of survey feedback.

If you want a presentation for your department, Robynn Peace can be contacted. It's P-E-A-S-E, Robynn with two N's at the end, so look her up in the -- in the UK Guide.

How am I doing for time here?
You're not... Okay.

If you have any questions, Robynn is the one. Thank you.

CHAIR:

Thank you.

Next we have Officer and Trustee reports, so mine will go first followed by Deb Anderson's, followed by Kate's and that's it.

What I wanted to talk to you today about was, first, our update on the president's evaluation and I'll go through the process.

One of the comments that we've received is about the timing. We really don't have a lot of control over the timing. We were asked to submit our responses by July 8, and we didn't think that worked with the -- that nine-month faculty, and so what we asked is, we asked to delay that response till August the 3rd. And so that's -- that's when we sent our e-mails out and gained your input.

I want to thank you for your participation in this survey. We learned a lot about your thoughts and your concerns and where you think that this institution is headed.

We met -- the Senate Council met to discuss the input, and we discussed the evaluation report on August the 23rd. On the

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26th and 27th I wrote up a narrative that summarized this report, and on the 30th we finalized the evaluations; on the 31st we hand delivered all of our materials to the Chair of the Board of Trustees, and they performed their evaluation.

One of the things that came to our attention though --

WASILKOWSKI: Greg Wasilkowski, Computer Science, Engineering.

Would it be possible for us to know more or less what your recommendation and evaluation were?

CHAIR: We struggled with that question. What Greg just asked is is it possible for us to get the results of that evaluation and know what you told us.

And so what we -- we wanted to do a couple of different things. One of the things we wanted to do is to take our report, put it in the Senate Council Office and have you come by and look at it. I asked Barbara Jones, our legal counsel, and she said no.

And the issue is that it is akin to a personnel evaluation, and that this is a promise of confidentiality.

UNIDENTIFIED: May I ask a question?

NADEL: Alan Nadel, Arts & Sciences.

Since this report was written on behalf of this body, we are the evaluators and, therefore, it is not confidential to the people who write the report. It is confidential to the people who are not involved in the process.

What is the basis for making the authors of the report not able to know what's

in it?

WASILKOWSKI: Good question.

CHAIR: I really don't have any answers to that, and I --

NADEL: Well, could you ask --

CHAIR: -- share your frustration --

NADEL: -- raise that with the legal

counsel?

CHAIR: Everett, do you have any more input?

McCORVEY: I think your -- your question is valid and something we should raise with legal counsel, and then we'll get back with you on that.

NADEL: I have yet another question is: How can you sign a report on behalf of people who haven't seen it? What is your status to do so --

CHAIR: No, I signed the report on behalf of the Senate Council members. All of the Senate Council members signed the document.

NADEL: But isn't that reflecting the evaluation of the Senate?

McCORVEY: As I understand it, the eval -- we polled the faculty for information and their response but it is the Senate Council that is actually making the report, not the Senate --

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Faculty Senate. We're asking for -- we asked the Faculty Senate, and other faculty around campus for their evaluations and their information, but it is the Senate Council that actually is making the evaluation of the president; not the Senate body.

NADEL: So then it's not represented as the evaluation of the Senate?

McCORVEY: That is correct.

GROSSMAN: If I might add, it's just -- it's questions like this are the reason why we would like to have a legal advisor.

CHAIR: Yes. Yes. Our own legal advisor, and so it's (unintelligible) that these types of issues as we try to come up with what's best for the faculty.

McCORVEY: And that is something we have discussed in terms of getting our own legal advisor, so that he can try to address these concerns.

CHAIR: Well, and the other -- the other thing that we're considering then, is three -- three or four different issues then. How to make the process work better? Let's focus on the process. Let's maximize faculty input and let's make sure that our voice gets heard.

And so one of the things that we'd like to do is to move the survey to an online format. We would like to make this survey amenable to when folks are more easily -- have better access and when they can respond to a survey.

We are in the process of surveying our benchmarks, and ask them: How do you evaluate your president? So I did a very quick web search and I found that somebody actually wrote a book on it. It was published in March, but it cost \$49 and I was too cheap to buy it.

But there is information out there and, Deborah, I think in your report -- she's -- she's just come back from a CPE meeting this morning, and she'll share some information.

But I think it's something we need to take into our own hands.

NADEL: Can I ask whether a motion would be in order to authorize the University Senate to authorize funds for you to purchase this book?

WASILKOWSKI: I second.

NADEL: I will so move if such a motion is in order.

CHAIR: Are you going to ask that I read it?

NADEL: Owning it might be a start, as I say to my students. Is such a motion --

CHAIR: Discussion?

NADEL: -- in order?

CHAIR: We had a second?

WASILKOWSKI: Second.

CHAIR: Discussion?

(NO RESPONSE)

CHAIR: All in favor?
Opposed?
Thank you.

DEBSKI: Liz Debski, A&S.
Just a point of clarification.
Doesn't the Senate Council have a budget anymore?

CHAIR: We have a budget. We're keeping a close eye on our budget.
Any other comments?

JONES: In terms of all -- all the feedback that came in from the faculty across the University, was there -- and I'm being very careful how I word this generically, was there any situation in which on a topic the view of the faculty was overwhelmingly in a particular direction but the Senate Council went contrary to that in its recommendation?

CHAIR: Oh, no. I think almost every issue the Senate Council was in line with what we saw from the Senate and what we had -- you know, one of the privileges of being on the Senate Council is that we have people who have expertise in different areas.
So we have a person on the Senate Council who is highly skilled and looking at qualitative information and deriving that qualitative information and coming up with major themes and that's what we asked this individual to do and she did a wonderful job. We were very pleased with how things that -- things appropriately reflected the views and that they were consistent across the board.
Issues that came up -- I'll tell you right now, issues that came up that are of major concern to the faculty have to do with undergraduate education.

MILLER: Joe Miller, Communication & Information Studies.
Can you tell us, or maybe it was revealed in some of the documents, how many faculty participated? What was the percentage of total faculty on campus?

CHAIR: Forty-five.
NADEL: Percent or people?
CHAIR: Forty-five people.
NADEL: Out of?
CHAIR: Out of 3000.
MILLER: And I would just comment, I think that if we did it in (unintelligible) we would (unintelligible) on line, on a broadcast kind of (unintelligible) --

CHAIR: Yes.
MILLER: -- to all faculty --
CHAIR: Yes.
MILLER: -- as opposed to filtering it through the Senate --

CHAIR: Exactly.
MILLER: -- would increase those numbers.
CHAIR: Definitely.
PRATS: Armando Prats, English.
Why is the deadline August the

17th?

CHAIR: Because the Board of Trustees meeting was Thursday and we had to backtrack from there. We needed enough time for -- for us to assemble our report, and so we needed about -- we needed to get a Senate Council Meeting scheduled so that we could discuss it and a little bit of time for -- to write it, get approval.

PRATS: Okay. But it was going to be taken up by the Board at its first meeting of the --

CHAIR: It happened last Thursday --

PRATS: I mean, back in August 17th, you know, the Board was -- the Board meeting was in the future somehow. My question is: Why did the Board have to consider it --

CHAIR: I don't know --

PRATS: -- at that time? People -- people are -- you know, it's summer. And it just seems really suspect that this thing was -- was put out there for people to, you know, fill out in -- in the summer.

CHAIR: It has to do with the way that the Board handles their business, and so the activities that were reported on of the president was at the end of June, so then he reported his activities as of the end June and so then they moved forward from that date so that the evaluation would have occurred by the September date. Does that...

PRATS: It's still summer.

CHAIR: It's still summer.

THELIN: John Thelin, Ed. Policy.
I've been on the Senate Council I would say six of the last eight years, and going back, I believe just as the Swallows come back from Capistrano in the Spring, the Senate Council has respectfully requested that the Board of Trustees be aware of that calendar, and I believe not only has it not moved back for (unintelligible) each year it crept the other direction.

CHAIR: Greg?

WASILKOWSKI: I have a simple solution to that.

CHAIR: Okay.

WASILKOWSKI: We cannot change the calendar of the -- of the Board of Trustees, but would -- I guess I would like the Senate Council, in anticipation of such review, to start the process much later, say in -- in March.

CHAIR: Right. So we -- we can do our own. Why do we need to be asked.

WASILKOWSKI: Exactly.

CHAIR: Yes. Okay. I'd like to move on, but that's exactly what we're thinking about. Let's just -- let's do our own --

WASILKOWSKI: Sure.

CHAIR: -- and I -- because that what I think other universities do.

WASILKOWSKI: And also using our --

CHAIR: Our criteria.

WASILKOWSKI: -- criteria and not --

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CHAIR: Yes.
WASILKOWSKI: -- the President's.
CHAIR: And they'd be aligned with the strategic plan.
WASILKOWSKI: Yeah.
CHAIR: Yes.
WASILKOWSKI: Thank you.
DAVIS: I was just going a question, but he provided his self-assessment so that was somewhat --
CHAIR: Exactly.
DAVIS: -- to how you evaluated --
CHAIR: That's problematic because then we couldn't have that.
COURT REPORTER: Your name, please?
DAVIS: Alison Davis.
COURT REPORTER: Thank you.
CHAIR: That's a problem with moving it, but perhaps we could rely on the faculty representation on the Board to -- to bring that (unintelligible).
All right. Thank you. All right.
So in response to the effort that we started in February, you gave many very good, well thought out responses. We reviewed those, we tried to categorize them. We had two retreats. We had one in April and we had one in July where we discussed how can we improve our process. How can we better facilitate your concerns.
And so one of the things that came to light was how to improve the effectiveness of the Senate meetings. What we have been moving towards then is to modify the agenda to more closely resemble those that are described in Robert's Rules and are used on other campuses.
We'll be including reports from officers, trustees and committee chairs.
We'll be trying to improve communication between the senators, your home departments and colleges. Sheila's in the process of developing a Senate listserv and we'll be updating you on ongoing issues.
We encourage the senators to establish a mechanism to communicate with their college constituencies.
Is there somebody here from the College of Ag?
Could you describe your system?
MEYER: Lee Meyer.
What we do -- what we do is after the meetings, start pulling together key ideas that all the Senators have picked up, pull those and then share those among -- with the whole faculty, so it's a relatively few set of bullet points that each of us individually might add to that list, so it's pretty expedient and hits the high points from the College of Ag perspective.
CHAIR: So how do you choose that individual?
MEYER: I just started it.

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CHAIR: Okay. All right. And so I suggest for the larger colleges you follow that type of a system. It seems to work well for you.

Reinvigorate Senate Committees. We notice that some of our Senate Committees have not been meeting. How do you get your work done if you don't meet?

In addition to the long-standing charges to Senate committees in the Senate rules, committees will be charged with specific and timely tasks.

One of the reasons you didn't meet is because you thought there was nothing to do. We have developed specific charges and tasks that are relevant to what our University is going through right now. And then what we'll do is we'll ask these Chairs to report back to this body, and so that we can have your -- your voice in there; what's going on with our University.

One of the things that -- I think we will start sending out memos and so the memo that I'm working on right now is we're in the process formulating these committees, and I'll be sharing whose on those committees, the charges on those.

Now, one of the things that Sheila and I have noticed is that some of you are not on a committee and we don't want you to be left out. So, please, please be involved. We can send you some e-mails that describe the -- the committees and perhaps can find one that's utmost interest to you.

The other thing I can forward in this memo that I'm working on, is the Provost agenda for this year. We've been working more closely with the Provost to try to make sure that our tasks are in line and we know what's going on in his office.

We're looking at the committee structure of the Senate to ensure that they appropriately meet the needs of the faculty, and so, as I mentioned before, looking at enrollment management advisory committee.

We're also considering formation of a grievance committee, and this would address some of the issues that come up that are not currently covered by our longstanding relationships.

And these are our specific goals that we came up with, with this body.

Goal No. 1: Successfully implement and revise General Education. We are well on our way. I think we should be in good shape to achieve this goal.

Goal No. 2: Take ownership of the faculty responsibilities to the University, in part through charging Senate committees with relevant goals, and then the next part is, follow through.

Goal No. 3: Plan for inaugural State of Affairs from the Faculty. Our date for this is April 11th, 2011. We have

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already invited interested Board of Trustee members to attend this meeting, and so I would you encourage to invite any interested parties to attend this meeting.
All right. Next is the Parliamentarian report. Kate?

WOOD: Point of information.
CHAIR: Yes?
WOOD: Connie Wood, A&S.
You gave the Senate rule on the number of absences allowed, but you did not give them procedure for getting excused absences; and is that still the same?

CHAIR: Yes.
WOOD: And --
CHAIR: That rule has not changed. It's always been in the books, but I don't think we've enforced it, Connie.

WOOD: So the answer to my question is what?
CHAIR: Oh, the -- the same procedure. Please inform Sheila or Adrea or Michelle about any explained absences.

WOOD: Thank you.
GROSSMAN: Bob Grossman, A&S.
I just want to point out that whether your absence is explained or unexplained is irrelevant for the purposes of the three-absences a year rule.

CHAIR: It's not excused.
GROSSMAN: That's the current -- the current rule as written --
CHAIR: Yes.
GROSSMAN: -- three absences regardless of reason.

CHAIR: Yes.
--- Kathy __, College of Medicine. Point of clarification. When you said we had two retreats to discuss (unintelligible), who is we?

CHAIR: Senate Council.
STEINER: This is -- I plan to introduce a motion for excused absences. Okay. What -- what you're saying basically, it doesn't matter if you have an excused absence or not. I think it's absurd, if it's University business (unintelligible). It's just absurd, so --
CHAIR: Do we want to --
STEINER: -- I plan to introduce --
CHAIR: -- change the rule now?
STEINER: -- introduce a motion --
CHAIR: Okay. So could you -- did you get the motion?
UNIDENTIFIED: The Senate is the one who --
CHAIR: We'll -- we'll be working on the motion with the Senate Council and we'll bring it back to this body. Thank you.
Kate?

SEAGO: I'm the Parliamentarian for this group, and what I have right now is just a short introduction about what motions are. Some of you are probably very familiar with

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parliamentarian procedure and some of you may not be. So let's just start with the very basic, and that's what my report I thought would be aimed at, is just kind of explaining parliamentary procedure. If you have a specific question about the rules being used, if you want to let me know about them I'll be happy to include them in the report; and that's part of my role here, which might be the next thing to cover.

But you're going to see a lot of motions. We've already had one about approving the minutes and stuff.

Basically, a motion is approval for a specific action and discussion then follows a motion; and this is basically just to organize the activities of the group and so the group knows what's under discussion.

You'll find us proposing language for a motion. We're going to be very precise with the language. That's one of the things we discovered when we took a hard look at the rule about absences, is that the language could stand some -- some work possibly.

One of the purposes for being very precise is that the group needs to clearly understand what action is being proposed and what the consequences of that action will be.

For a motion to actually be on the floor there does have to be a second. At least one other person in the group has to agree that this is worth discussing. So if a motion does not have a second, we're basically saying it's not worth the effort.

Motions can be amended. One of the most common ones is a friendly amendment, corrections in grammar or language to make it more understandable. There are others.

For our purposes, for our group, majority vote is required for adoption. There are a few exceptions that are specified in the group's bylaws, and I've just included a website here that basically gives you a one-page introduction to Robert Rules.

I've got a 400-page book that kind of goes over the details but if you want a general outline, if you're not familiar with parliamentary procedure, this gives you a basic outline of what happens in a parliamentary run meeting.

And that's it.

CHAIR: Thank you very much, Kate.

In the interest of time, Frank and Angie have a 4:30 meeting, so I'm going to change the agenda and ask them to give their presentation next.

BUTLER: Thank you, Hollie. For those of you who don't know me, I'm Frank Butler, Executive Vice-President for Finance and Administration.

My partner is Angie Martin. Angie is the Vice-President of Financial Affairs, Treasurer, Budget Director and everything

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else that I don't want to deal with.

So I thought in order to put things in context for you I'm going to play amateur economist for a few minutes, and I'm sure that will give many of you an opportunity to correct me, but I have practiced medicine without license in my time here; I have practiced law without a law degree, so I figure practicing economist is probably not much of stretch.

I thought what we might do is talk about what is affecting the University budget from both a national level and a state level, and then Angie is going to give you the details and the numbers.

But I think many of these things you all know but they are things which are going to affect us not only in the immediate future, but I think for the next five to ten years.

Obviously, the economy continues to still struggle. There is the favorite economic definition of trickle down and that is going to continue to affect us in the same way.

As long as we have a housing market in the disarray that it's in and we have 10-1/2 percent unemployment, we are looking at fairly grim economic times and, as you have all read, those are not going to be resolved in any short period of time.

You know, a prime example of how that does affect the University is what's happened to our endowment in the last five years. In 2007 our endowment was just under a billion dollars, about 990 million. Thanks to October of 2008, it went to 640 million. And you might ask yourself, well, why should that worry me. Well, if you're an endowed professor whose salary is being supported by the income from one of those gifts, then -- then you have the potential for seeing that support erode.

As of right now, the endowment's back up to about 820 million. We've had some significant recovery, in addition to continued support and contributions to our endowment but that will also be a long time coming.

We have a number of what we refer to as underwater endowments, and those are where someone a gift of a million dollars three or four years ago; it's now worth \$800,000 so it's not producing the income and the support for that particular endowment and we don't see that resolving any time in the near future.

From a State standpoint, you know the State is struggling. We have had no new major revenue initiatives in the last five to six years; expenses continue to go up.

There was a report that just came out that states revenues are up about 3.3

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percent for July and August. Angie reminds me that that's nice, but the State's budget is for 4.3 percent increase for this year in order to -- just to meet the budget that's already been approved. So we've got another ten months where we're going to have to do better than 4.3 percent to meet the 4 percent projection that the State has. There are a number of us who are appropriately cynical about our ability to do that in view of what's going on.

State unemployment is 10-1/2 percent. That's obviously of major concern to us. It affects State revenues, but it's also bellwether of the indication of where the economy of the State is.

One of the major implications that it has for us is something that you probably don't worry too much about but I do because I've spent 20 years at the Med Center; and, that is, that the Medicaid enrollments in the State continue to increase. They're adding about 3,000 people a month to State Medicaid enrollments; about 20 -- about 800,000 people in the State are now on Medicaid. And you might ask yourself, why should I care. Well, you should care because about 25 to 30 percent of the entire State budget is spent on Medicaid, and as those rolls grow what that means is there's going to be more money having to be dedicated to the Medicaid program which means there's less money available for higher education and elementary education.

It is the -- it is, in my opinion, the biggest threat from a funding standpoint that we have because of all the Federal rules and the State rules related to what the State has to offer in the Medicaid program.

So I think the fact that -- that it's continuing to grow at an increasing rate -- it's not just the unemployed, by the way. As you probably know, there -- on Medicaid there's -- there are guidelines based on family income that can qualify you for Medicaid.

So I'm -- I see that continuing to grow and I see that having a continuing negative impact on the State funds and -- and money that might be available for higher education.

The other thing that Angie will talk about briefly is the -- is the impact of the stimulus funds that the State has received and its direct impact on the University.

As most of you may or may not know, the State did a -- I shouldn't say bait and switch, I'll be quoted for that. The State took Federal and stimulus dollars, removed money from higher education's budget and backfilled with stimulus money.

And what that means is on December

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31st of this year, when those stimulus dollars run out, the question we have is: What's going to happen to that 20 or so million dollars that disappeared from our budget? Where is the replacement going to come from? And unless there's some significant improvement in the State budget -- Angie and I spent a lot of time worrying about where that's going to come from or whether that's going to be a recurring, permanent cut in our higher education budget.

There are things that we have to say -- to say Grace over that we have to say Grace over every year and continue to be major challenges for us.

The one -- first one I'll mention is tuition. As you know, that continues to be a debate, it's one of the major sources of revenue for the institution, I would submit to you respectfully that we're starting to bump up at the bottom of where I think tuition can go, both from an affordability standpoint and from a comparability standpoint with other institutions.

So if we take tuition off the table as a major source of new revenue for the University, I respectfully ask you: Where is it going to come from?

We have fixed cost increases that we have to deal with every year. They are not going away. We have energy costs that we have to deal with. We have no control over what we're going to pay for those or little.

We're about to embark on a major 26 million dollar energy savings' project that's going to be hopefully approved by the Board of Trustees tomorrow, looking at ways that we can save energy and save money here at the University.

We have health insurance over which we have some control based on how we choose to maintain our health. We have retiree health benefits which last year had a disproportionate impact on the budget of this University because of the changes at the Federal level in what happened to retire -- to retiree health benefits.

I've forgotten the numbers, Angie, but I think the proportion for 2500 employees that we paid more in retiree healthcare costs increase for 25 -- 2500 retired employees than we paid for the entire University with 13,000 employees in increased healthcare costs.

And what I have sent -- and for those of you who are soon to be retirees, you have my apologies but what I sent word to the retirees, is: We ain't going to do that again. We are not the University of Retiree Health Benefits, and we're not going to be able to continue to support those kinds of expenses in the future.

So we're going to have to look for

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alternatives; the retiree is going to have to look for alternatives because we can't sustain it.

There are no good -- no good solutions. The last item I will mention this, because of the State's financial situation, we have had no major capital projects here at the University. Whatever we've done, we've done with our own money. I don't see any major capital projects on the horizon probably for the next at least two bi-annual budget sessions simply because there is not money in the State budget to do it.

Whatever we do here, we're going to figure out how we fix it. I will tell you right now my number priority is the Reynolds Building. Somebody will ask why. If you go over and walk through the Reynolds Building, it won't take you long to figure why. We have students and faculty over there, unfortunately, and we've got to do something about either fixing it or -- or moving it or rebuilding it. That's where our Fine Arts folks are, and I've been working on that now for three years unsuccessfully. I tried to get it in the last budget, almost made it, got cancelled at the last minute when the State cancelled all capital projects but we're -- we will continue to try to figure out non-traditional ways to do capital projects here because the traditional way of -- of area University getting one building as part of the budget process simply is not something that you're going to see happen.

So with that cheerful introduction and background, I will now ask Angie to give you the good news. And, by the way, we're going to try to make this as quick as we can so we can leave time for you all's questions at the end of this.

MARTIN:

Good afternoon. I met with Hollie a week or so ago and we talked about what best to -- how best to present this to this group, and especially given the new members.

So I'm basically going to give a budget 101. I'm giving you an outline of the University's budget, how complex it is, all the various pieces. I'm going to give you also a summary of the State budget, a few more details that Frank started going through.

With regard to the University's budget, it is -- 10/11 it's 2.5 billion dollars but it's in five buckets, is the way I like to explain it, and they're managed -- those buckets are managed very differently.

The first bucket is the undesignated general fund. It's 24 percent of the overall budget, and that's where we have State appropriations, tuition, investment income, service assessments to our self-supporting entities.

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Basically, undesignated general funds -- if ever you hear President Todd talk about his teaching money, the teaching money, this is it.

This is where primarily instruction, of course, is paid for. This is truly undesignated funds, in that, the President can direct the Board of Trustees direct where the funds go.

Designated general funds is money that we bring in generally for very specific purposes, such as UK Healthcare.

UK healthcare, it calls for over 37 percent of this 49 percent piece. We also include, like for example, mandatory fees and course and program fees. They go directly back to the colleges and the departments.

Now, the other two recurring budgets, those two got this one through, and these two are auxiliary funds and restricted funds.

Auxiliary funds is money that comes from wholly self-supporting enterprises, such as UK athletics, housing, dining and parking.

Then restricted funds are restricted from the external entities. It's not our own restrictions. This is -- the prime example would be a research grant or contract.

Those previous pieces were recurring, and I kind of laugh these days when I say recurring because nothing is recurring really any more. But they're as recurring as it gets.

The other pieces are non-recurring dollars. This is the money that we have left over from the prior year that we carry forward to the next year, and generally we use it for non-recurring projects, mostly capital projects; faculty startup packages will be in here, pilot programs also will be in here.

You have to realize that the University does not have a recurring capital budget, so we use fund balance. We use the money that we've saved from previous years in order to fund capital projects in the future. This is a very common practice in higher education.

When we look at UK's budget it has dramatically increased over the last ten years. We've gone from 1.2 billion to 2.5 billion dollars, and it's easy to point at State support and say, oh, there's our problem because as a percentage of the budget State support -- and I'm using State support to mean State appropriations and the Federal stimulus money, which I'll go through in just a minute.

But it has decreased down to 12.5 percent of the University's 2.5 billion dollars. Of course, that's only one part of the story because what really is going on is

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that the State appropriation dollar amount is substantially unchanged. We're getting the same amount that we did, in essence, back in 2000/2001, and other pieces of our budget, of our enterprise are growing faster.

For example, the hospital system since 2000/2001 has gone up 211 percent. Now, that does include the operations of Good Samaritan. When it came in it automatically made, of course, the budget larger.

Now, I know this chart is a little bit hard to interpret, but when you look at State appropriations and you say, well, it's stayed the same so what's the problem.

The problem is is that we were told frequently that our State appropriations were actually going up. The General Assembly would pass a budget that had an increase for us. So as we're building the budget, we count on that increase. We do salary increases -- years ago, we paid -- planned our utility costs, we do different things and then come around December, usually right before Christmas, that's when the Office of the State Budget Director likes to do it, we'll get a call generally with the Governor's issuing an executive cutback order.

So what this chart shows you is the the little blue dots are the original operating budget. That's the amount that the General Assembly appropriated for the University of Kentucky for those years.

The red dot means we got the call, and in the middle of the year we were told we had to substantially cut our budget.

We've had two years in which budget equals actual and that are the blue and the green dots.

Now, the last two years you'll see that there's little these dotted lines that go down, and this is the stimulus money. In essence, in '10-11, the year that we're in right now, we are receiving 289.3 million dollars of State funds, and additional 17 million dollars of Federal Stimulus funds and those funds go away in '11-12.

Well, actually it gets to the fiscal year calendar year with the Federal Government. For our year, for '10-11, we've got 17 million and it will not be there come July 1st, 2011.

Now, the State has tried to address this lack of stimulus funds, but I did want to give a summary of where it is.

We've got issues on revenue recovery, how this -- has it really started, we've got controlling costs at the State level and, of course, this reliance on Federal stimulus money.

Basically, this chart shows you the change in general fund revenue, that means tax receipts, since 2000-2001. I got this

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from the State Budget Director's office. As you can see, in the last -- since then we've had three years where receipts actually were lower than the prior year. That has happened four times since 1945.

So that gives you a perspective of what's been happen recently here.

Now, this is on about an 8.5 billion dollars State budget, and you can see the magnitude of what we're dealing with here.

Now, the State, just like if you dig deeper on anything, the State cannot take that cut and just allocate it proportionately to all the different agencies and universities.

As Frank mentioned, Medicaid, for example, the cost of Medicaid has been skyrocketing. The cost of KTRS -- that's the Kentucky Teacher's Retirement System, that's the State pension system for teachers -- has been increasing primarily because of retiree health insurance.

Corrections is also up. So from July '07 when this really started, '07-08, through July 2011, what they -- what they appropriated for next year, this is the change in the agency's budgets.

Higher education will have seen a 9.1 percent decrease while Medicaid will have seen almost a 38 percent increase in their budget.

So this is how they're dealing with the State cuts at this point.

The stimulus money is a real concern. What this shows you is that in '10, if you at '10 and compare it to '09, what would Kentucky spending on higher education have been if we didn't have stimulus money. Well, in Kentucky higher education we would have spent 5.6 percent less.

What happened with the stimulus money is this group of -- or this block grant, in essence, came with a stipulation. When the governors accepted that money, they had to promise to spend as much on K through 12, as well as post secondary education as they did in 2006-07.

So what happened when we got that money, it went into K through 12 and post-secondary ed, but it basically, as Frank explained, it just supported us. It avoided a cut. It put off the cut that we would be seeing.

So with the Federal stimulus money, Kentucky, all the institutions together, saw a .1 percent increase. That was primarily changes in debt service. The U.S. average -- you can see what happened. Post-secondary education across the country on average actually saw an increase, non-recurring, because stimulus money is recurring, but they saw it, and then you can see the SEC States

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where they've also seen an increase.

Now, this is one of my favorite slides. This is the State's budget. General fund, tax receipts and you can see fiscal year '07-'08, fiscal year '09, fiscal year '10. These are actual numbers.

Then you can see what we've budgeted for '10-11 and '11-12. While our receipts are up in July and August, it's still incredibly early in the fiscal year and July, August and September those receipts actually will fluctuate dramatically.

I would not say we've got a pattern yet, that we're going to be okay by any means. So we -- and, of course, this doesn't then reflect the increased cost that we're going dealing with.

So what does this mean for UK? In '10-11 the budget, the year we're working in, had a 4.4 million reduction in State appropriations or 1.4 percent. Again, we're propped up with 17 million dollars of Federal State fiscal stabilization funds. In '11-12, assuming, assuming the State receives all that money that they just budgeted, we have a 1 percent cut. So right now we know we've got at least a 1 percent cut going into next year.

I want -- I did want to put some numbers together with those five buckets that I showed you at the beginning.

This shows how you have -- we've got the 2.4 billion dollar budget, for example, in '10-11 and we have 585 million of that in designated general funds; 1.2 billion, almost a billion of that is healthcare and designated general funds; auxiliary funds 133, that includes 80 million for UKAA; and the restricted funds are primarily research grants and contracts that we have; and those non-recurring dollars are 169 million dollars. That's across the board. That's undesignated; that's restricted funds, money that we've received, they're earmarked, we haven't spent yet, that also includes the hospital.

I do want to focus in on that undesignated general fund piece of the budget. That is where, from the University perspective, we make most of our decisions on what can that part of the budget afford.

Now, everything here at UK has an exception. There is never a rule that I can say it's always like whatever. Never is a bad word, primarily for the University.

As you know, UK healthcare is on a different -- has a different personnel system, different payroll cycle so a lot of the decisions that we make on salary increases in the undesignated general fund part, applies to everything else with the exception of UK healthcare, which is a big part of this budget.

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Looking at that 8.8 million dollar change in the operating budget, you can see that State appropriations went down 4.3, then we increased tuition 6 percent. We thought that would generate about 14.6 million. Our short-term override investment income is just falling dramatically over what we budgeted, and you may see that in your savings account statements.

So we're looking at only 8.8 million dollar increase. That's about a 1.5 percent increase in revenue.

Unfortunately, our expenses were 15.8 million dollars and that did not include a salary increase. A one-percent salary increase at the University on that undesignated general funds cost about 3-1/2 million dollars, so keep that in mind; 3-1/2 million dollars, a one-percent increase in tuition rate gets us about 1-1/2 million dollars in that undesignated general fund.

You can see that the benefits line, the 7.2 million dollars was huge compared to what we're looking at, and that had to do with the retiree health insurance. The Federal government changed the plan. The University, in order to keep the retiree benefits where we said we would, at this point, then, we had to pay a lot more money.

Of course, utilities go up. We did have a commitment on the implementation of the Gen Ed curriculum, and so we put an additional 2.7 million dollars and that's just part one. There's going to be another phase or part two in '11-12.

So we had increases of 15.8 million dollars, which is a 2.7 percent increase. Well, that means we're out-of-balance, and I deal with out-of-balance all the time. We were short 1.2 percent, 7 million dollars.

UK is very decentralized on how we budget. The Provost, if you look at that undesignated general fund part of the budget, the Provost has about 82 percent; Frank has about 16 percent and the President has the rest.

UK healthcare isn't in that mix because theirs is in designated revenue piece. So what we do is we took the 7 million and we allocated it proportionately to the areas, but then it was not allocated proportionately as it went through the institution at that level.

Unfortunately, the 7 million dollars shortfall, it was not like that was just a one-time deal. This chart shows you since '07-08, when we first started the budget in '07-08 we thought we were going to have 25 million dollars extra from the State, we put in a lot of fixed costs and other investments, including increases in student financial aid and so we actually didn't have a reallocation.

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Of course, higher education institutions are very good, we can spend every dime we get. We don't have any problem spending money.

So we budgeted that we'd be even but then in '08-09 the bulk of that money was pulled back. That was one -- that was one of the very mid-year budget cuts that we had. So we had a shortfall, we had to deal 18.9 and then we had 7.3 and now we're down another 7 and this is just the reallocation, the re-use of money. We've got expenses that are going up and we've got to take the money from somewhere. So for '11-12 I'm just really not sure at this point what's going to happen.

This is the budget calendar to keep in mind for the faculty senate and to provide -- and also the staff senate, of course, to provide input into the budget cycle.

In the fall, actually next month, we start the budget development process and we do that by collecting revenue estimates. We also start looking at our fixed-cost increases and, of course, any kind of programmatic increases such as Gen Ed programs.

In January the General Assembly will convene. Now, this is an off-budget cycle year. The General Assembly does convene every year but they deal with the budget every other year. This is what's called a short session. It's only supposed to last 30 days.

But if the budget shortfall is greater than five percent, then the General Assembly will be asked to deal with it in that budget -- now, the Governor can choose to ask the General Assembly to deal with it if it cuts even less than 5 percent. But there's language in the bill that says at five percent it's got to go back to the General Assembly.

Because it's an off cycle, if this isn't a special session, that means that the General Assembly will have to pass the budget by a super majority, not just a simple majority.

Do I remember a lot of years where the State couldn't pass a budget and we had a continuation, funding and spending plans; well, there's been a court ruling that the State can no longer do that. And that's when we get to the threat around June, that the State doesn't have a budget, oh, the State government is going to shut down.

What does that mean? It's never been clarified for public universities. Does that mean we're a part of it or we're not part of it, which is good, as far as not being clarified.

We have some precedent right now. As you know, the State is furloughing State

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employees for six days in this year. We had a big issue come up about employees at the University of Kentucky, employed by the University of Kentucky, but are being paid with State contracts.

We had some State agencies contact the University and say your employees are now on furlough. And we said, oh, no, they're not. They're University of Kentucky employees. They're not State employees. And we went through the process of negotiating with them. We said, we understand fully that you can reduce the contract but we get to choose how we handle our own employees.

And so that's where that ended up. Unfortunately, there was a lot of rumors that went around and it happened very quickly last week, because the very first State furlough day was last Friday, right before, but we ended up not furloughing anyone.

Now, we do have operating and capital budget and information up on my website, and we'll, of course, make this presentation available to you all, but Frank and I would love to take questions.

NADEL:

Yeah. Alan Nadel, A&S.

The first question: You indicated that there's a budget shortfall this year, and there's a larger one anticipated by at least 1 percent next year.

I was wondering if you could tell me how much money was spent for this year on new hires and where that money came from given that we have less money? That's the first one.

The second question is how much in the auxiliary funds does the total athletic program bring in and what percentage of that money does it give to the University beyond covering its own expenses and how does that compare to our benchmark schools?

MARTIN:

Okay. Number one, I'm not exactly sure on the number of new employees. You get into the issue are they new hires filling vacant positions.

NADEL:

Well, I understand that.

MARTIN:

Okay. So if you had someone -- a faculty member here and they left, and you hire a faculty member, you've got a new faculty member cost.

NADEL:

Are you -- did -- did we -- I mean, I don't know. You have the numbers and these are big -- those things, I'm not inside the University budget.

Did we increase the faculty salary beyond -- well, did we increase the faculty salary? Did we hire more people?

MARTIN:

Yes, we did. And --

NADEL:

Where did that money come from?

MARTIN:

Primarily grants and contracts and clinical income.

NADEL:

Isn't that supposed to be recurring funds, or are they going to be let go next

year?

MARTIN: A lot of times folks, staff especially, are hired on staff -- on soft money.

NADEL: Did we hire faculty on recurring funds and, if so, where did that money come from?

MARTIN: I do not know. I'll have to ask.

NADEL: Will you make that available to the Senate next meeting?

MARTIN: Sure. If I can --

NADEL: And the other --

MARTIN: -- gather the information, I --

NADEL: -- the other question was about the athletic program. What's the total amount of money they bring in, and what percentage of it goes back to the University above their expenses and how does that compare to our benchmark schools?

MARTIN: Okay. Athletics brings in -- their budget is about 80 million dollars out of the 2.5 billion dollars, and they have over and above the service assessment we charge them, utilities, scholarships for athletes.

Over and above that, they contributed 1.8 million dollars and --

NADEL: How --

MARTIN: -- on the --

NADEL: How much?

MARTIN: 1.8.

NADEL: Out of 80?

MARTIN: Out of 80 million.

NADEL: So basically 2 percent.

MARTIN: Uh-huh, (affirmative).

NADEL: How does that compare to our benchmark schools?

MARTIN: I have no idea.

NADEL: Will you find that information and make it available to us?

MARTIN: If it is available.

BUTLER: If it's available.

NADEL: Okay. If it is, will you?

BUTLER: Yes.

MARTIN: I don't believe it is but -- we've tried to find that before.

BUTLER: John?

THELIN: John Thelin, Ed. Policy.

To follow on your question, my recollection from an earlier presentation you made was that if you go back ten or fifteen years the athletic department actually gave 1.5 million per year back to the University when their budget was probably half what it is now.

And it went from 1.5, 1.5 for about three or four years, then it dipped for many, many years to 1.2, and then in these last years, we had a bump up with the addition for the Robinson scholar, so that --

MARTIN: No.

THELIN: -- the percentage of the athletic department budget that goes back to the University has actually decreased. It's not

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been pegged in any rise. And related to that I would add that University of Kentucky Athletic Association is a private corporation and, to the best of my knowledge, it does not pay fair market value rent for the land on which it has facilities and land that they do not own.

MARTIN: So to address your first question, back in -- we went as far back as 1988-89, and the -- UKAA was assessed 1.5 million for services rendered. It wasn't that they gave that for the -- to the University for scholarships.

The additional unrestricted scholarship money over and above the assessment did not start until '05-06, and that's where part of the confusion is; getting -- trying to just to make sure we're comparing apples-to-apples. But by -- in '88-89 they paid 1.5 million, but they -- that was in essence their service assessment. That was for the University part that's paid for with those undesignated general funds for payroll and purchasing and all the administrative parts. That's how much that we paid back.

Now, your second question was rent, and you're right, we do not charge rent on the land of athletic facilities.

THELIN: Would you consider that?

BUTLER: You know, you get into that, then do you charge rent to the hospital for its land?

THELIN: All the better.

UNIDENTIFIED: Absolutely.

BUTLER: I think that I -- let me make it even more personal. Do we charge AG for the rent of the farms?

UNIDENTIFIED: We bought them.

BUTLER: With University money. So, I mean, that's -- that's a very slippery slope to get into, and I can't imagine us looking at that as a reasonable source of income.

ANDERSON: Debra Anderson, College of Nursing. What is the service fee assessment now?

UNIDENTIFIED: Speak up.

BUTLER: What's the service fee assessment now to athletics?

MARTIN: The service fee assessment now is 1.7 million dollars. When it was implemented back early, early on it was literally a number that's pulled out of the air. My office now does a service study, a cost of service study every three years. And we literally try to figure out through time studies and different things, work order processes, all kinds of things, how much money should we be billing the hospital. The hospital's bill is over 10 million dollars.

BUTLER: That's -- it's -- it's done with the idea of actually billing them for the actual cost of providing services as opposed

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to just picking a number.

GROSSMAN: Frank, I have to challenge you --

CHAIR: Bob Grossman.

GROSSMAN: Bob Grossman, A&S.

-- on what you said a moment ago, which I thought was quite disingenuous to compare athletics to the College of Agriculture or even the hospital.

This University has a mission of research, teaching and service. The hospital is central to all three of those; the College of Agriculture is central to all three of those as is every other academic unit or department.

The Athle -- Athletics Association is central to none of those; not research, not teaching and not service.

So to claim, oh, charging athletics this much is -- well, we'll have to charge the hospital, oh, we'll have to charge the College of Agriculture is an incredibly disingenuous thing to say --

BUTLER: I don't agree --

GROSSMAN: -- and, frankly, I'm insulted by it.

BUTLER: I disagree with you. I just think that it's easy to pick on athletics. It's one of 14 programs in the United States that doesn't get money from their university to support them right now.

NCAA just issued a report. There are only 14 programs left in the United States that are not on the university door.

Yes. I'm sorry. You want -- you want to do the --

CHAIR: No, that's --

BUTLER: -- want to do the trafficking?

Yes, ma'am.

JENSEN: Jane Jensen, College of Education.

Frank, you said something at Senate Council when we met the last time. I just want to clarify, that auxiliary services include athletics as well as dining and housing --

BUTLER: Right.

JENSEN: -- and one parking --

BUTLER: Right.

JENSEN: And dining and housing, also independent, used to be in the red and they've gotten themselves out of the red into the black and when they got into the black they started giving back to Student Affairs; is that correct? They started giving back their excess back into undergraduate education? No?

MARTIN: No.

JENSEN: So they hold onto their revenue as well?

MARTIN: They have been holding onto, actually transferring any money that they have at the end to the plant fund for renovations.

JENSEN: Okay. So it's going back into the

system. My -- my --
MARTIN: To housing and dining.
JENSEN: My next question is that, have any of the auxiliary services, including athletics, taken any of the cuts that the rest of the University has taken?
Because we know they have revenue, and their revenue has been increasing -- last year by 437.33, so have they taken a cut like the rest of the University?
MARTIN: Back in -- it was -- it's been several years we had a very large nonrecurring cut that -- from the State that was based on all revenues received at the institution, including housing and dining and hospital --
JENSEN: And athletics?
MARTIN: -- and athletics, and we allocated that one cut out to everybody because that's how the cut was assigned to the University.
Since that time, no, we have not allocated any State cuts to the auxiliaries because we're looking at it from a fund source perspective. We expect the auxiliaries to be self-supporting and not to necessarily come back and support the institution. They -- the auxiliaries get no State money.
JENSEN: And they -- they have not cut their budgets or streamlined their budgets?
MARTIN: I don't know if I would say streamlined.
BUTLER: I wouldn't say -- I wouldn't put it in that context. I think there has been significant sort of cost reallocation among all the units, but we -- but because they haven't gotten any State dollars we haven't asked them to take a State dollar reduction.
MARTIN: When, for example, retiree health benefit costs went up that cost proportionately is also shared by athletics and by the hospital and by others. There are decisions that we make that are also -- they have to fund with their money.
BUTLER: One last comment, and we'll get to your question. One of the ways, I guess, that we have forced some of those things on them, and for example, in parking, each year they've come to me and said, can we increase parking this year? And I say, as long as we're not going to have a salary increase, I'm not going to let you increase parking fees.
So they are -- they are going to continue to have additional expenses but they aren't going to have additional revenue. So it's -- it's an indirect way of cutting costs and saying, you're going to have to operate with the same dollars for as long as -- as we have the same -- the problems that we have with the -- with the budget.
PRATS: Yeah, Armado -- Armando Prats, English Department.

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I know you guys gotta go for a 4:30 meeting; but if the President were to get a 51 percent raise, where would it come from?

MARTIN: We have actually budgeted nonrecurring funds for the President's bonus that was in the contract. And so instead of the contract -- instead of the bonus, he would be getting a base salary increase. Although that money is budgeted nonrecurring in '10-11, the year that we're in, any increase in a new presidential salary on July 1st, 2011 will be a drain on the University budget.

PRATS: But not now?

MARTIN: Not now. We've got the nonrecurring money now. As we built the budget, we knew that the -- just looking at his contract, we set aside that money.

WASILKOWSKI: Couldn't this money be used for something else?

(SEVERAL TALKING AT ONCE)

STEINER: Have you --

BUTLER: I'll try to get to you.

STEINER: Have you had to -- (unintelligible) about retiree health (unintelligible) -- what's the plan? How do you -- how do you change --

BUTLER: We're going to have to change the benefit structure, and it's going to --

STEINER: You're going to --

BUTLER: -- it's going to --

STEINER: -- make retirees pay a little more?

BUTLER: They're going to have to pay more.

STEINER: Okay.

BUTLER: It's unfortunate but, you know, I -- the last -- I was trying to remember the last time I looked at the survey of how many institutions are still providing retiree health benefits. They're almost all public; there are very few private, and I think the number of private industry support of retiree benefits is now down to about 14 percent. So it's just one of those things that, you know --

STEINER: Do you think -- rather than doing away with it because you're planning on increasing (unintelligible) --

BUTLER: Yeah. We're not going to do away with it, but we're going to have to -- there's going to have to be more cost sharing of the costs associated with that.

Yes, ma'am?

BRION: Excuse me. Gail Brion, from Engineering. Forgive me if this a stupid question, but if you move the President's bonus from bonus into salary, won't that also increase the costs associated with benefits on that money?

BUTLER: Yes.

MARTIN: Yes, it will. But we have --

BRION: And would that be like a 24 percent benefits like the rest of us calculate?

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BUTLER:
MARTIN:

Uh-huh, (affirmative).
Yes. His bonus scheduled for 2009-10 was \$200,000 plus benefits. So that money was not spent in '09-10. Any money that's not spent but budgeted carries forward to the next year, so July 1st it carried over into fund balance and that 200 plus benefits is enough to pay the 157 that's currently being discussed for '09-10 plus we have his existing contract that had a bonus for '10-11 in it and we have allocated that nonrecurring as well.

THELIN:

I believe the customary arrangement on a TIAA/CREF at UK, I believe the faculty -- is the faculty put in up to 5 percent --

BUTLER:
THELIN:

And the University matches it.
-- then it would be 10 percent.

BUTLER:
THELIN:

Right.
Are there any exceptions to that fact?

BUTLER:
THELIN:
BUTLER:

Yes, there are.
And what are those?
Vice-presidents and above at the University contributes the 5 percent to the retirement fund, so they basically -- contributes 15 percent instead of 10 percent.

THELIN:

And these are the lower paid salary -- employees at the University that get this add-on?

BUTLER:

I think I said vice-presidents and above.

THELIN:

Yeah. So, what, about 20 employees?

BUTLER:
THELIN:

It's probably about 20 employees -- My estimate is that adds about -- at least \$400,000 a year that the University's paying in, and it seems peculiar -- I mean, if you take, for example, someone who has a base salary of \$750,000, and they qualify for that arrangement, 5 percent of \$750,000 and start going down the vice-presidents, that seems --

BUTLER:

I believe there's only one of those.

THELIN:
BUTLER:

What's that?
I believe there's only one of those.

THELIN:

Well, keep -- keep going down. I mean, you -- you can explain away the margins. But let's go down, if you have, what, probably 20 people in this category?

BUTLER:
THELIN:

Yes.
Well, I think that's a substantial amount of money, and it seems -- why -- why separate out that group from the general rule? It would seem to me to bring them in line would be a very, very obvious and painless way to bring that, at least a little bit -- reverse the flow a little bit.

NADEL:

What if they can't afford the 5 percent?

BUTLER:

It has been a practice here as long as I've been here --

THELIN: But that's -- that's
(unintelligible) --
(SEVERAL TALKING AT ONCE)

BUTLER: I don't try to -- I'm not trying to
explain, but I mean it's -- it's very easy --
John, you're very good at making suggestions
for taking money away from other people. I
would like to look for ways to increase
revenue --
(SEVERAL TALKING AT ONCE)

THELIN: Oh, wait, wait I give at the
office.

BUTLER: So do I.

THELIN: And -- and the Provost never
grows old and has certainly taken money away
from me and mine, so I'm -- I'm -- I'm
even-stein on that.

CHAIR: Do you have time for more
questions?

BUTLER: You have one?

WERMELING: On the revenue side where it might
-- do you have anything that you can
enlighten us with or that would make us feel
better about the plans that the University
has that could improve revenue and, secondly,
you mentioned things about tuition, and I
wasn't quite sure what I understood about
your comments on tuition and -- and how we
compare and any margin we have left to raise
revenues from?

BUTLER: No, I -- I think we're -- we're
bumping up right against the people with whom
we compete for students as far as -- as
tuition.

If you look at the surrounding
states and you look at the tuition levels at
the public institutions in the contiguous
states, we are probably within about five
percent; and there's two that I think are
lower, and then there's -- the others are
slightly higher, but we don't have much room
there.

To answer your first question: I
think probably there are some opportunities
for revenue enhancement in distance learning
that -- that we can take advantage of, but I
think we're also going to have to balance
that with -- with reductions in operations in
the University.

We can't -- it won't -- we will not
be able to do it all just on increased
revenue.

Do you want to add to that?

MARTIN: The Provost did ask a group headed
by Jeannine Blackwell to look at an incentive
tuition program on how to increase tuition
revenue in different ways at the institution,
and that group is I know working and has not
yet provided even a draft report to the deans
at this point.

CHAIR: Thank you very much. If you have
additional comments please send them to
Sheila Brothers and we can send them on and

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distribute it back, and then I'd like to remind that we have an IFRA Committee and that's one of the committees that we're in the process of getting together and so that committee is charged with looking into details that we couldn't get into today.

GROSSMAN: You might want to share what IFRA

is.

CHAIR: That's because I couldn't remember.
Institution -- Institutional Finance and is
it Revenues --

GROSSMAN: Resources.

CHAIR: -- Resources. So those are the
issues that that committee will look at.

We need to get back on track, and we have two officers reports. First, Everett and then Debra. Everett.

McCORVEY: Well, a lot of my information was shared with you -- with you through Hollie's report and some of the reports that you've received.

The -- there's a Board of Trustee meeting tomorrow, and I would encourage, if you have some time during the day, to come out and attend some of the Trustee meetings.

Usually the business is done in the mornings. They usually start about 8:00 in the morning, and they're all the different committees that meet.

And then after the committees meet, then they go into the open session. That's at 1:00.

Most of the business that happens really happens -- the energy of the business happens in the morning meetings, and so what I would suggest to you, when you have time and interest, to come and attend some of those.

One of the things that we are working to do is to get an earlier notification of the Board's meetings so that you can look online and see what's happening at the Board meetings earlier so that you can decide if you have an interest in attending one of the meetings.

The UK Healthcare meeting usually happens on Mondays, and so it is scheduled for today at 4:00 so it's happening as we speak.

The Council for Post-Secondary Education is also meeting. They met yesterday and today, and that's where Sheila and -- I think Joe has class today.

The Governor invites all of the Boards of Trustees from all of the universities to the CPE meeting. He gives them their charge for the year, and then they -- they go forth. And so that was weekend as well.

And so the healthcare meeting is today, tomorrow morning at 8:00 will be the Student Affairs Committee. They're mostly in the Patterson Towers. At 9:00 there will be

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an Investment Committee meeting. At 11:15
there will be a Finance Committee meeting;
and then at 1:00 there will be the Board
meeting.

UNIDENTIFIED: Academic Affairs?
McCORVEY: Excuse me?
UNIDENTIFIED: Academic Affairs is not meeting?
McCORVEY: Academic Affairs is not -- I don't
have that schedule here.
UNIDENTIFIED: (Inaudible) --
McCORVEY: Yeah, I don't...

Well, check the list website. It
should be on there. If it's meeting, I don't
have it on this agenda in front of me.

Not all of the committees meet
every time, and so sometimes it maybe
available a week or so. If you're presenting
in academic affairs certainly you could be
meeting tomorrow, but check the website for
that.

Obviously, the meeting tomorrow,
I'm sure there will be a lot of discussion
about the President's retirement and where we
go forth from here, and I think that Hollie
mentioned earlier that you do have a say-so
in the Presidential Committee that will be --
the Search Committee that will be put
together.

There will be three faculty
representatives -- at least three on the
Search Committee, and so if you are
interested in that then I would encourage you
to -- the voting will be very similar to the
way they vote for the faculty trustees.
There will be a first round, there will be a
second round and then those three persons who
are nominated for the committee will then be
part of the larger Search Committee that will
probably move very quickly.

Also tomorrow there will be -- the
Nomination Committee will give the -- their
recommendations for the new Chair of the
Board of Trustees, and that will be tomorrow.
Myra Ball has been the Chair, and she has
served her term and so there will be a new
Chair on the Board of Trustees.

There will be an introduction of a
couple of new Deans in Pharmacy, and also
Library Science. There will be a voting of
the recommendation of Execu -- Executive
Committee on the President's salary. That
will also happen tomorrow.

And so there's going to be -- it's
going to be a fairly significant meeting
tomorrow, but I would encourage you to come
when you have the chance.

I'll take the floor for questions.
JONES: Did you just say the Executive
Committee is going to determine the salary
and not the full Board?
McCORVEY: No, no. No, no, no. The Executive
Committee does the recommendation.
JONES: All right. So, are you looking for

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faculty input on how you should cast your
vote since (unintelligible) --

McCORVEY: I'll be happy to take faculty
input. Absolutely.
WASILKOWSKI: Why so late?
McCORVEY: Excuse me?
WASILKOWSKI: Why so late?
McCORVEY: Well, it's not -- it's not too
late. It hasn't happened yet.
CHAIR: Any questions?
McCORVEY: Yes.
DEBSKI: You know, I appreciate the
encouragement to attend the meeting, but I'm
wondering -- you know, it would seem though
it would just be observational.
McCORVEY: I think at this point, yes, it -- I
mean, for the one tomorrow, absolutely it
would be observational.
DEBSKI: And so where exactly is our
opportunity to make our view known?
McCORVEY: Well, there are committee chairs
for each of those committees, and they are
Board members but they are chairs and so your
opportunity to contact any of those chairs to
discuss with them your concerns --
DEBSKI: How do we contact the committee?
McCORVEY: Either call or by e-mail or -- or
however you'd like to contact them. I mean,
they are -- they are -- their e-mails are on
the website, and you can certainly see them
there. It's not an opportunity to speak at
that point, but certainly to contact them to
address your concerns. Certainly your
faculty trustees will do that. You have --
you do have opportunities to at least voice
your concerns.
COURT REPORTER: Can you tell us your name, please?
What is your name?
DEBSKI: Oh, Liz Debski, A&S.
COURT REPORTER: Thank you.
McCORVEY: Yes.
WASILKOWSKI: I have a question. How would you
like us to communicate what we think about
the bonuses for the President? Would you
like to take some opinion from -- from here?
McCORVEY: I'll be happy to if you would -- if
you would -- if --
CHAIR: Would you like to make a motion?
Would that be most efficient?
WASILKOWSKI: -- I don't know how -- I don't know
how to phrase it, but my motion would be to
get some straw vote from the Senators whether
we believe that the President deserves bonus
or not.
NADEL: I second.
McCORVEY: So what's the --
WASILKOWSKI: Greg Wasilkowski --
McCORVEY: What's the --
SEAGO: Discussion.
WASILKOWSKI: -- Engi neeri ng.
McCORVEY: Discussion?
CHAIR: All in favor?
(SEVERAL TALKING AT ONCE)

ADREA: What was the --
GROSSMAN: What is the motion?
CHAIR: The motion is: Does the president
deserve --
(SEVERAL TALKING AT ONCE)
NADLE: The motion is that we should hold a
straw vote to determine --
CHAIR: Okay. The motion is that we should
hold a straw vote to determine whether or not
-- whether the President deserves the bonus.
UNIDENTIFIED: Whether we're in favor --
CHAIR: Whether you're in favor.
GROSSMAN: That's not what the original motion
was.
(SEVERAL TALKING AT ONCE)
ADREA: Say it again.
CHAIR: Say it again, please.
WASILKOWSKI: The motion was --
GROSSMAN: The motion was whether he --
WASILKOWSKI: -- whether we -- whether we believe
that the President deserves...
CHAIR: Whether we believe that the
President deserves --
WASILKOWSKI: Deserves the bonus.
CHAIR: -- the bonus.
WASILKOWSKI: Yeah.
GROSSMAN: Can I -- can I --
WASILKOWSKI: Yeah.
GROSSMAN: That it either be the Senate en --
CHAIR: Endorse.
GROSSMAN: -- endorses a bonus for the
President or the Senate does not endorse a
bonus for the President.
WASILKOWSKI: I accept this as a friendly
amendment.
GROSSMAN: Which one?
NADEL: He's asking -- he's asking for
a straw vote to determine whether we should
hold such a vote.
GROSSMAN: Is it a straw vote -- is it a vote
on whether we should hold a vote or is it --
NADEL: Yes. (Unintelligible) --
CHAIR: We're voting on whether --
GROSSMAN: -- or is it actually voting on
whether the --
CHAIR: -- we should hold a vote.
(SEVERAL TALKING AT ONCE)
CHAIR: Do we have a second?
NADEL: I --
CHAIR: You second --
NADEL: -- seconded the motion --
CHAIR: Okay.
NADEL: -- that we should vote now and
decide if we should hold a straw vote.
CHAIR: Discussion?
SEAGO: In the -- yeah. So we're at the
point of discussion about whether we want to
-- whether this body wants to have -- then
take a vote.
CHAIR: Okay.
PRATS: So we're voting on a vote.
SEAGO: Yes.
CHAIR: We're voting on a vote.

(SEVERAL TALKING AT ONCE)
UNIDENTIFIED: Voting whether or not to take a vote.
CHAIR: Right. Tom?
KELLY: Tom Kelly, College of Medicine.
Can somebody tell me what would happen with the outcome of a straw vote?
McCORVEY: At this point I think it would only be relayed to the -- to the Board of Trustees and then each of the Trustee members will have to vote on whether they will approve or not approve the recommendation of the committee and I think that's where it would be at this point.
KELLY: How would that be delivered to the Board of Trustees?
McCORVEY: I don't know that there's a -- at this point what I would do is take it to the Chair Pro -- Pro Tem of the committee, and that's Billy Joe Miles.
KELLY: Would there be any obligation on his part to communicate that to the rest of the Board of Trustees?
McCORVEY: I don't know. I don't know the answer to that question.
JONES: There's nothing to prevent you from offering that information to the Board at the meeting.
McCORVEY: Yeah, I could do that. Absolutely I could.
NADEL: It seems to me it would be a very good thing to go on record about how we feel so that the Trustees won't have to go on record as saying they don't take into account the faculty's position or they do. We can't make them vote a certain way, but it's our job to go on record and it's their job to take that into account or to publically ignore it.
CHAIR: Debra?
ANDERSON: Debra Anderson, College of Nursing.
My question is: As it's already in, if I'm not mistaken, help me if I am, it's already in the President's contract that he has met certain requirements, therefore, he, by contract, receives that bonus.
UNIDENTIFIED: That is true.
ANDERSON: So it isn't a matter of whether or not they're -- they're not voting to give him a bonus; correct?
McCORVEY: No, they're -- they are voting to -- his -- they're voting on his contract and the score that he received on his contract and whether or not, then, he gets the bonus based on his contract.
ANDERSON: Okay. So it isn't a done deal right now that he gets the bonus, is what I'm asking? I thought it was.
McCORVEY: Well, I think at this point the -- once the score is -- I guess the Herald Leader's already revealed the score. I think it was 96 --
MEMBERS: 96.

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McCORMY: -- point something. So based on his contract, he will -- he is in line to receive the bonus --

ANDERSON: Right.

McCORMY: -- based on the contract. And, you know, one of the things that we're discussing it that really the contract -- the bonus whole idea is really flawed, but that's something that's -- that ship has already left.

You know, he was the a President -- and I was not on the Board when all of this happened. He was a new President, had never been President before.

I think the Board wanted to have a way of being able to make sure that he had focus on the things that the Board wanted him to focus on. And so they put this very large portion of his contract to be the bonus so that every year he could come back and report on the items in the -- in the goals that then caused the bonus to kick in.

The University of Louisville, for instance, has a foundation and so the foundation does not have to reveal the president's bonus. So the president at Louisville can say, I'm not accepting my bonus or I'm going to -- you know it's 200,000, or whatever that figure is, and then they don't have to reveal what they're giving to him through the foundation.

And -- but we don't have that option here, so --

THELIN: All foundation records are available on GuideStar --

McCORMY: GuideStar?

THELIN: Yeah. -- website, all non-profit organizations must file each year with the IRS, and those compensations must be reported.

McCORMY: Well, that would be great to know and to find out because I'd be curious as well --

THELIN: I mean, it's --

McCORMY: -- because that's --

THELIN: It's a matter of Federal law.

McCORMY: Okay. Yes.

PRATS: Armando Prats, English. Everett, I guess I was naive enough to think that when I was one of the 45 people who filled out a survey, it counted for something.

How did they arrive at the 96 percent?

McCORMY: Well, let me tell you how the -- how the survey works. The survey was -- what the 45 faculty members, what -- faculty and staff, I think; right?

CHAIR: Just faculty.

McCORMY: Just faculty filled out, which is close to -- how many faculty members?

UNIDENTIFIED: Three thousand.

(SEVERAL TALKING AT ONCE)

McCORMEY: Yeah, it's a small number. Okay.
What happened is that was the recommendation that then came back to the faculty, the Senate Council. The Senate Council took those recommendations, and then the Senate Council gave a score. Then the score that the Senate Council gave became one of the 22 scores that happened at the Board level. And so that one -- 127 of the -- of the vote was by the faculty.
So what does that say? Well, one thing we need to do is increase that number, and so that's one of the things we're also interested in working on to see how can we increase that number so that the faculty get a larger say-so, and then the entire faculty because now it's not. It's -- the entire faculty gets to weigh in on it but the Senate Council is the only body that gets to actually make the recommendation.

CHAIR: It is a quarter till 5:00. We still have business to discuss. I know this is a heated issue, but could we please get back to the motion and we'll take a straw vote and let's move on from there.

DEBSKI: Point of information, please, because everyone keeps saying bonus, and from what I read it is a restructuring of his -- of his salary, not a bonus. Is that -- is that incorrect?

McCORMEY: There is a committee, last year, my recall, appointed a committee to make a recommendation to the Board on restructuring the salary.
So that has not -- that is not a done deal, but that is -- that committee will make a report tomorrow on how they feel the salary should be restructured.

DEBSKI: But because --
But there's no vote --

McCORMEY: Excuse me?

DEBSKI: There's no vote on that tomorrow?

McCORMEY: They may recommend to vote on that. I'm not privy to whether or not they will vote on that part. I do know that -- and I attended the Executive Committee meeting, that they are planning to make a recommendation to the Board about the restructuring.

DEBSKI: The press all say 51 percent --

McCORMEY: I know they do.

DEBSKI: -- salary increase.

McCORMEY: I know they do. Yeah. And that's not exactly -- that is not true.

CHAIR: In the interest of time, let's go ahead and vote. Let's take our straw vote.

SEAGO: I think you better repeat the motion --

CHAIR: Okay.

SEAGO: -- before you get --

CHAIR: Could you repeat the motion, please, Adrea?

LaROCHE: Let me look and see what I've got.

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Hold on. Patience.

SEAGO: Just to repeat the motion --

LaROCHE: Hold straw vote.

SEAGO: The motion is to hold a straw vote to determine if the president deserves the bonus.

PRATS: Just a little -- can we say bonus/salary so that we're covered --

CHAIR: Bonus/salary.

SEAGO: Would you accept that as a friendly amendment?

WASILKOWSKI: Yes. Accept.

CHAIR: Okay. We're ready to vote.

SEAGO: And this is the vote to vote.

CHAIR: This is the vote to vote.

SOHNER: Everybody in favor raise your hand. You want me to count these -- the numbers?

CHAIR: Yes, please.

SOHNER: Thirty-one.

CHAIR: Okay. Opposed?

SOHNER: Twenty-three.

CHAIR: Okay. Abstain?

SOHNER: I see one, two. Anybody else? Okay. Could you hold up your hands a little higher if you're abstaining?

CHAIR: (Inaudible) --

SOHNER: Five abstentions.

CHAIR: Thirty-three to twenty-three.

LaROCHE: Thirty-one.

SOHNER: I believe it was 30 --

COURT REPORTER: It was 31 --

LaROCHE: Thirty-one --

SOHNER: -- 31 to 23 --

CHAIR: Thirty-one to twenty-three.

Motion carries. All right.

NADEL: So now what should happen is the straw vote --

CHAIR: All right. We're obliged to have such a straw vote. Let's take a -- do we need a motion for that?

NADEL: No. You just voted to do it.

CHAIR: All right.

GROSSMAN: We did not vote to do it now. (SEVERAL TALKING AT ONCE)

CHAIR: Let's take a straw vote. Let's take a -- I like to get things over with. Let's take a straw vote.

CHAIR: All in favor? (MEMBERS TALKING AT ONCE)

JONES: Okay. Wait, wait. Motion phrased in the positive or the negative? Please read the motion.

CHAIR: Please read the motion.

NADEL: No, that motion has been voted on, that's not what we're talking about --

CHAIR: Okay.

NADEL: We're simply saying how many of you feel the President deserves a sal -- a bonus/raise?

CHAIR: How many of you feel that the President deserves a salary bonus/raise?

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All in favor?

Okay. One, two, three. All right.

All opposed?

NADEL: All those who think he does not.

CHAIR: All those who thinks he does not.

SOHNER: Thirty-two.

CHAIR: Okay. Abstain?

SOHNER: Twenty-three.

CHAIR: Okay. Thank you.

Everett, it's on your lap.

McCORVEY: Thank you, and I'll -- I'll just say one other thing; that in the next year -- the next few years, but certainly the next year, it's going to be a very challenging time at the University with the new -- with searching for a new president, also with a budget.

It's not a budget year, but the Legislators will meet, and it is the time that the president usually goes to Frankfort to try to influence the Legislators to work with the University in funding and other -- so it's going to be a difficult year so I'm hoping that throughout the year we can look for solutions to the challenges that we have as a university; that we can come together as a university, as a faculty, celebrating differences, offering solutions to our problems so that we can continue to move the University ahead.

It doesn't help anybody and it certainly doesn't help the students if we spend most of our time in the complaining category rather than the solutions category, and it's up to us to be the ones to carry that back to our other faculty members and our students.

This is a great University. We have a lot of positives. There's some very, very, very, very smart people here. And so I hope that we will continue to try to find those solutions to make this University a great place.

CHAIR: Thank you.
Thank you, Everett.
Debra?

ANDERSON: I'll try to very brief. I'm Debra Anderson, Vice-Chair. And as Vice-Chair I've been charged to do a couple of things this year as part of my role in the Senate Council.

We are in the process of streamlining the process for curricular review and approval. We're working on that with IT, and they're helping us to facilitate that.

And the other thing that we're doing, and this will answer some of the questions and some of the things that you had brought up regarding the evaluation of the president. We -- we're in the process of reorganizing and creating an online Senate based faculty review of administration -- of

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University administration. So we're hoping that we can expand this beyond the evaluation of the president but also perhaps of the administrators as well.

I was at a meeting today of the Coalition of Faculty Senate Leadership, in Hebron, is that how you say that, Kentucky, out by the airport, and with representatives from -- representation from universities across the State.

So we're going to have some discussion on that listserv on the evaluation process for administration abroad, of college administrators.

If any of you have any input from other institutions that you've been at regarding the evaluation process, please send me an e-mail so that we can consider that as well.

Any questions?

Good.

CHAIR: Thank you very much, Debra.

All right. We're at item No. 4, Old Business. Mike, would you like to take the stage?

MULLEN: Sure. Thank you.

I want to keep this short, too, because there's some other important business coming after -- after my time up here --

CHAIR: Can you hear him?

MULLEN: Can you all hear me? I can stand behind here.

Hopefully, you've had a chance to look at the report that was sent through. At the April 12th meeting this past spring we -- we shared data on the number of courses that had been offered over the course of the past -- the past six years in our winter intersession, and we have seen that we have had anywhere from two to two and a half times more students in the last three years than we had in the first three years of this pilot.

About 78 percent on average of all the students taking winter intersession courses are juniors and seniors.

The students tell us that they're taking these courses in order to either stay on track or progress to graduation or to accelerate their progress towards graduation. So we think that's a really good thing.

The students themselves also have responded, if you remember from that meeting, that they felt that these courses were as good as or better than their semester courses. They felt that they had learned more, and that they would all, except for the ones that left, be willing to take one of these courses again.

At that April 12th meeting a couple of questions came up, and those questions related to what did the faculty who taught those courses think, and so we did a survey of faculty and interestingly enough we only

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had seven respondents so we -- we didn't do maybe as badly as -- as the faculty survey on the President's rating.

But, nonetheless, seven faculty responded. We -- we asked them a number of questions, and interestingly the faculty who responded felt the same way as the students. They -- they felt that -- none of them felt that their students were of worse quality than the students in their regular semester, and 57 percent of them thought that the students were better or much better than the students they normally deal with in the semester.

Their perception of the students' willingness to actively -- actively engage in the classes was, again, on the order of 90 percent; 88 percent thought that the students were actually engaging in their courses better.

And most of our colleagues that responded felt that students learned as much in a winter intersession as they do during the regular semester. Only 14 percent disagreed with that; and 86 percent of those faculty said that they would teach the -- teach a course again.

So that was the response or the -- the work that came after that question was asked.

Another person asked about how is -- how are finances handled from winter intersession. The Registrar's Office indicates that they allot -- the teaching expense is based on TA rate for the class, and then everything above the TA rate that comes in in tuition, 50 percent of that is returned to the college. The colleges do their own deals with their own faculty in terms of what the total remuneration package is and so it varies from college-to-college.

Basically, if you go back and look at what the income versus costs are based on TA rates, if there's four students in a class, it's a -- it's a situation where the department or the college is going to get a certain amount of money back -- a small amount of money back on it.

Obviously, as enrollment increases the amount of money that comes back to the college, either that stays in the colleges or is redistributed back to the department, would increase. And so that -- that's how the financials work.

And my conclusion on all this is that we've run a six-year pilot, probably long enough, there seems to be interest, faculty who have been involved generally think that this is a good program; the students who have been involved generally are very positive about the program.

So I think it's time for us either decide that we're going to continue this on a

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permanent basis or that we need to not offer a winter intersession any longer.

From my perspective, when we got the majority of our students taking five and six years to graduate, I think anything we can offer that provides opportunities for students to get through quicker is a good thing and if the -- if the opportunity also results in some operating money that comes back into colleges and departments, I think that's a nice opportunity as well.

And so in the interest of time, I'll consider that my report.

CHAIR: Thank you very much.

PRATS: Excuse me. A quick question.

MULLEN: Yes.

CHAIR: Yes.

PRATS: Armando Prats, English.

Why did the pay scale change from the first year?

MULLEN: Dr. Prats, I don't know the answer to that. It's a very good question. I have not been involved in any of those decisions. When I was associate dean in Ag, I was also involved in how did we take that 50 percent and -- and put it back across the back but I don't know the decision that took place there.

CHAIR: Other questions?

PRATS: But they still changed from 10 percent of salary to --

MULLEN: And that might have been the college's decision in which case -- and -- and I can just tell you, in agriculture it still is 10 percent. So it's a -- what I've been told by the admissions office the -- the winter intersession program is that that's a college-by-college decision on how to handle that money.

CHAIR: Are you keeping track of that information?

MULLEN: Pardon?

CHAIR: Can you keep track of that information?

MULLEN: Of --

CHAIR: Uh-huh, (affirmative).

MULLEN: Sure.

CHAIR: Okay. Thank you.

MULLEN: Okay.

CHAIR: All right. We have a recommendation on the table to the Senate Council. Could I hear a motion please?

JENSEN: Jane Jensen, College of Education. I move that the Senate approve a permanent winter intersession effective in April.

CHAIR: Second?

GROSSMAN: Bob Grossman.

Second.

CHAIR: Discussion?

(NO RESPONSE)

CHAIR: All in favor?

Opposed?

Abstain?

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Motion carries.

Our second item of business is --
has to do with the 2010-2011 winter
intersession calendar.

Is there a motion on the table?

WERMELING: Dan Wermeling, Pharmacy. As
written.

CHAIR: So moved. Okay. Second?

ANDERSON: Debra Anderson, College of Nursing.

Second.

CHAIR: Discussion?

(NO RESPONSE)

CHAIR: All in favor?

Opposed?

Abstain.

Motion carries.

Dr. Edgerton?

EDGERTON: Do you want this or do you want it
delayed? I'll be as quick as possible, but I
may --

CHAIR: Go ahead, as quick as possible.

EDGERTON: Okay. Thank you, Madame
Chairperson, and remaining members of the
Senate. Yes.

The first objective is to thank
Michelle Sohner who put together a very
concise set of data that you have in your
hands. I want to make a few comments about
that, a couple of personal comments and then
if anyone has questions we'll go from there.

If you look at that sheet, on the
first page, the list -- the breakdown by
colleges includes a new column which tells
how many students are in there.

We were asked to give some measure
of how many students are involved, and I was
not here when that suggestion came in. It's
a little bit misleading because, for example,
the cases that come up in the College of Arts
& Sciences includes students from all
colleges.

So I would encourage you to be a
bit cautious in measuring number of cases on
the basis of numbers of students in that
college.

We have had a number of complaints
that went from 316 in the '08-09 year up to
377 in the '09-10 year for which this report
is given.

The number of academic offense
cases stayed stagnant. It went from 106 in
'09 -- '08-09 to 105 in the current year
(inundable).

Of that 105, 15 students came to
talk to the Ombud; that is, of the 105 who
were charged with offenses, 15 came to the
Ombud; four cases went to the appeals court;
three of those were rejected and one student
got a reduction in penalty associated with
the academic offense.

We sent 30 cases regarding grades
to the appeals court. Of those 29 appeal
were upheld, 28 of those 29 -- and,

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incidentally, a large number of those -- probably 50 percent of that 30 came from a couple classes.

Of those 29, 28 changes were shifts from a regular letter grade to a P or a W. They rarely change the letter grade from one to another unless there's very specific evidence.

In terms of personal comments, I simply want to say that I continue to believe that most faculty and most students deal with a great deal of integrity in their discussions of the issues.

We start from very different perspectives frequently, and when those perspectives are too far apart it does become difficult to reach a resolution that is -- that all are comfortable with and those cases tend to go on to the appeals board.

It is my experience that when we as faculty recognize that we've got an irreconcilable different, it's to our advantage to encourage students to seek a neutral party such as the Ombud for discussion.

When that takes place early on students tend to have a diminished sense of being wronged. And, secondly, when we as faculty encourage them to seek that independent person early on, it saves us from locking ourselves into a position from which we can't very graciously back away if the appeals board doesn't support us.

So that's my report. If you've got questions, I would be happy to try to answer them for you.

Otherwise, thank you for your time. Thank you very much, Lee.

CHAIR:

Our next item of business is a proposed change to Senate Rules 5.4.1.3, more than two Bachelor's Degree.

So just for a bit of background, in 2007 we held discussions about this issue and indicated a desire to allow a student to earn more than two Bachelor's Degrees, so we've talked about this in this before.

Now, we have a student that this pertains to immediately, and so it needs our action now.

And so effective immediately under this new policy, students currently enrolled at UK are eligible for approval for conferral of additional degrees beyond the second Bachelor's Degree.

Current students seeking conferral of a third Bachelor's Degree for December 2010 must have applied for that conferral no later than October 1st.

And so what the Senate Council recommends is that the Senate approve the proposed changes to Senate Rules 5.4.1.3 effective immediately.

Could I have a motion, please?

GROSSMAN: So moved.
CHAIR: Second?
WASILKOWSKI: Second.
GROSSMAN: Bob Grossman.
ANDERSON: Second.
CHAIR: Deb Anderson.
Okay. Discussion?
(NO RESPONSE)
CHAIR: All in favor?
Opposed?
Abstain?
Thank you. Motion carries.
All right. The 2010 degree list is
in front of you in the handout. The
recommendation is that the elected faculty
senators approve the UK August 2010 list of
candidates for credentials, for submission
through the President to the Board of
Trustees, as the recommended degrees to be
conferred by the Board.
JONES: Could I hear a motion, please?
There's a typo here. This has been
cut and pasted from BCTC, they have
credentials, we have candidates for degrees.
CHAIR: Okay.
JONES: So I'll make the motion that the
elected faculty senators approve the August
'10 degree list for candidates for degrees as
per the (unintelligible) --
CHAIR: Did we get the correction?
LaROCHE: No, what was it?
FARRELL: I have a point of information.
GROSSMAN: Replace the word credentials with
degrees.
LaROCHE: With degrees. Okay.
CHAIR: Point of information?
FARRELL: My name is Herman Farrell, College
of Fine Arts.
I sent to Sheila Brothers a list of
some errors I seen in the document that was
sent to us last Thursday.
CHAIR: Okay.
FARRELL: And I see that those errors have
not been corrected.
CHAIR: Okay.
FARRELL: I could provide you with the --
with the changes --
CHAIR: But you did send them to Sheila?
FARRELL: (Unintelligible) --
CHAIR: But you did send them to Sheila?
FARRELL: Yes, ma'am.
CHAIR: Okay. Why don't I contact her.
UNIDENTIFIED: Because there are three names that
have been added in that shouldn't be in
there.
FARRELL: That shouldn't (unintelligible) --
CHAIR: Okay. Anyone else?
(NO RESPONSE)
CHAIR: Okay. Discussion -- further
discussion?
(NO RESPONSE)
CHAIR: Okay. All in favor?
Opposed?

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Abstain?

Motion carries. Thank you.

All right. Item No. 8 is our SACS accreditation - quality enhancement program update, and we have Professor Deanna Sellnow and Professor Diane Snow.

SELLNOW:

This is just an update to let you know where we're at, we've been working over the summer. Remember that we have SACS reaccreditation coming up and a quality enhancement plan is required for us to be accredited by SACS, so we don't get to vote whether or not to do a quality enhancement plan. We have to do it.

Remember that February through June of last -- of this year, 2010, we went and visited all kinds of units on campus and we collected all kinds of data. We had website with Big Ideas where people could post ideas of -- ideas for plan and encouraging and recruitment, student learning on campus, but we also looked at assessment data across campus, we looked at program reviews, we looked at the Kernel to get student ideas, we looked at number of kinds of data to come up with emergent themes that cross-cutted across these categories. It seemed like areas there would be a theme that would be something that would broad based across our campus for an idea for a quality enhancement plan for SACS

We had a retreat in June where we met and sequestered ourselves in a room in the student center for two full days, and analyzed this data and came up with some themes. And a drum roll please, these are the themes that we're looking for proposals on now.

The first one is developing engaged citizenship, so the idea of becoming a good citizen, partners in the community; expanding global awareness and involvement; fostering a supportive and vibrant campus culture so that the campus climate culture is one that's vibrant and thriving; enhancing scholarship; critical thinking, effective communication and academic integrity. That's kind of the concept of -- the theme of developing scholars that a research one school should have -- be doing as part of what we do. And advancing 21st Century teaching and learning.

So those are -- oops, one more. And navigating successful transitions. And that one is a little less obvious than the others. That's about helping students make a successful transition from high school to college so that we keep our retention rates up, but then also what happens with they graduate from here and become graduate students somewhere or members of the community, in the workforce, and that's successful transition in that regard.

So now what we're doing right now is we need your help to get -- go back to

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your units and colleges across the campus to get people to submit a proposal. A proposal that -- and the proposals are going to be very simple, and the idea there is to get people to actually do them; a proposal on one of these six themes, and you notice they're quite broad, but could fit into those themes. All they're going to have to do if they propose something is a name, a title, which theme it addresses, and a 500-word description of that theme -- 500 words or less.

So it's still just to get some ideas of themes centered around these -- or proposals around these six themes. Okay?

The due date, however, is October 1st. That's a little bit flexible. We -- we really do have to get these things quickly, so hopefully people have -- if they submitted a QEP Big Idea and they see that idea fitting in one of these themes, then they should go on the site and propose an idea, 500 words or less. It can even be the same thing they proposed in their Big Idea, just transferred into this document now.

And then from there we'll ask for eight to ten proposals, where they develop a white paper, and there will be that honorarium for developing a white paper because that will take a little bit more time.

This is the web address that you need to please promote across the campus like crazy, www.uky.edu/SACS/QEP.html.

We did do an interview with President Todd about this. We are in UKNOW -- how do you say that? UKNOW, okay. We're trying to get the word out. We also have post -- postcards that are going to be coming forth that we're going to spread in campus all over the place but the idea is even though the economic climate and morale is a little bit low, this is to be something that's exciting. This is a chance for us to have ownership in what we send forward to SACS and what we want to pursue for the next several years in terms of an idea that our whole campus can get behind in terms of improving student learning.

How's that for quick?

CHAIR: Very good.

SELLNOW: All right.

CHAIR: Questions?

(NO RESPONSE)

CHAIR: Comments?

(NO RESPONSE)

CHAIR: Thank you.

SELLNOW: Okay.

CHAIR: We have one last item for business.

Dan Wermeling will talk to us about the proposed waiver of administrative regulations 2:1-IVII.B.5.

Would you like to give some

background on it?

WERMELING: Dan Wermeling, Pharmacy. As we have our advisory committee, the Appointment, Promotion and Tenure Committee of the College of Pharmacy, advises the dean on whether the faculty of this committee believe that a member made progress. And when we were reviewing a dossier for an upcoming promotion we discover an inconsistency between our processes and a revision that came from the Provost's office, as I understand it, last summer. So the difficulty that we have is that we're a two department college and the faculty are required at the latest review to basically provide a letter of evaluation to the chair.

However, we also have an Appointment, Promotion and Tenure Committee, in which those same individuals might also be appointed by the dean or elected by the faculty or appointed by the chair to serve on that advisory committee.

The problem is that you don't get to vote twice. Okay? So we wish to seek a waiver of this rule such that members who are elected or appointed to the APT Committee, advising the dean, may be waived of writing a letter to the chair evaluating that faculty member.

So that, in effect, the evaluating faculty member can only vote one time in writing an assessment, not twice.

That's the nature of our recommendation, and asking your endorsement of this waiver of this rule.

Thank you, and I'll answer any questions.

KIRSCHLING: Jane Kirschling, College of Nursing.

I think this situation also applies to our college and so is the waiver then (unintelligible) specifically as for the College of Pharmacy or does it extend to other (unintelligible/inaudible) --

WERMELING: My understanding is that we have a letter that came from our Dean's Office and a faculty secretary, this was presented to the full faculty of the College of Pharmacy and the faculty unanimously endorsed this proposal as written by the Dean's Office to the Senate Council and the Provost.

CHAIR: And what we decided at the Senate Council is that the waiver would be effective until we dealt with the problem because we imagined there might be other colleges that had the same issue.

KIRSCHLING: So the intention is to deal with the problem --

CHAIR: The intention is to deal with the problem, but this was a short-term fix.

WERMELING: But we -- but we need a short-term fix because we have a ton of people

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going through this year. Last year we only had four or five faculty and this year we have over ten.

So we need relief so that we can manage our process this year and sync up the academic schedule.

MEYER: Lee Meyer, College of Agriculture.
Dan, is -- maybe I just don't understand the situation, but it seems like usually the next thought, well, that person's recludes -- preclude from voting. Is that a problem with a two department college then?

WERMELING: Yeah. It becomes a conflict, and so this our temporary way of dealing with the conflict until there are other rules written at a higher level or we reorganize in the college in a different way.

But right now the waiver is that we basically are saying people that are appointed or elected to APT should then not write a letter to their department chair. That's what we're asking for.

And the Dean, who is also here, is asking to make a comment.

TRACY: Tim Tracy, Dean of Pharmacy.
To make a clarification to your question. So in a two department college we have three and three; three people from each department, so if you recuse the three people from the vote at the college level, now you've got one department solely determining the fate of faculty members in the other department; it creates a divisive issue.

WERMELING: And we did that one time and it was not satisfactory.

TRACY: This way faculty from both departments will be able to vote on them and all they do is recuse themself at the departmental level.

ANDERSON: Heidi Anderson, Office of the Provost.

Just a clarification for the minutes. This was not in a memo from the Provost. This was actually originally in the original administrative governing regulations, so it's always been there. So that's just a point -- a quick correction.

RANDALL: I don't see how we can vote on the wording, a waiver. It seems to me we have to have some verbalization written of, a waiver.

WERMELING: I'm not sure I understand your question.

RANDALL: In other words, you gave a verbal description of what you want to do, but I think we need an agreed wording of what the waiver is.

WERMELING: So more specifically, I guess, we're asking that we be permitted to -- let's see --

ANDERSON: It's in the letter. It's in -- it's in the letter.

WERMELING: -- to not request input from -- yes. So the statement in the letter says:

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We believe a better approach is to waive AR -- but more specifically, to not request input from individuals in the department who are members of the College APT Committee.

That's the specific of what we're asking.

RANDALL: When a motion is made it should, I think, be like that, not a waiver.

WERMELING: Okay. Well, would you make the motion?

RANDALL: So moved as you worded it.

WASILKOWSKI: Second.

CHAIR: Second?

WASILKOWSKI: Second.

CHAIR: Second.

Discussion?

All in favor?

Opposed?

Abstain?

All right. Motion carries.

Can we have a motion to adjourn?

NADEL: So moved.

CHAIR: Our next Senate meeting, October

11th.

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THEREUPON, the University of Kentucky Senate Council meeting for September 2010 was adjourned.

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STATE OF KENTUCKY)

COUNTY OF CAMPBELL)

I, LISA E. HOINKE, the undersigned Notary Public in and for the State of Kentucky at large, certify that the facts stated in the caption hereto are true; that at the time and place stated in said caption the UK Senate Council Meeting was taken down in stenotype by me and later reduced to computer transcription under my direction, and the foregoing is a true record of the proceedings which took place during said meeting.

My commission expires: January 26, 2011.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal of office on this the 15th day of December, 2010.

LISA E. HOINKE
NOTARY PUBLIC, STATE-AT-LARGE
K E N T U C K Y