

**FACULTY COUNCIL**  
**Minutes**  
**Wednesday, October 24<sup>th</sup>, 2018**  
**3:00-5:00 PM – CLC 206, WTC; IC 332, LSC; MNSN 1523C**

**Members Present:** Battaglia, G.; Brown, J.; Conley, J.; Elsky, J.; Gillespie, L.; Kang, H.; Langman, L.; Lash, N.; Miller, H.; Pope, L.; Ridosh, M.; Shoenberger, A.

1. Meeting was called to order at 3:05pm by Vice-chair (Conley).
2. HSD (Battaglia): We're in the middle of evaluations now. Have not heard any further about changes or improvements to the Department of Pharmacology.
  - Kathy Bobay has been named interim Dean of the new Parkinson School of Health Sciences and Public Health. She thus leaves Faculty Council and its Service committee; we will need to find a replacement for her. (For next year we will also need to consider having a new seat from that school.)
3. US (Conley): I did speak with Margaret Heller, the Libraries representative on the Senate. Neither Pres. Rooney nor the acting Provost were present at the last Senate meeting, so they were unable to give their comments on last year's Senate resolutions or on the report from Campus Safety. There was some discussion of establishing a more formal procedure for formulating and passing motions for presidential consideration. There was also some discussion of confusions about reporting in Title IX issues. There was also some discussion of the Campus Safety report; this discussion will continue at the next opportunity with the president.
  - Discussion of security issues, especially with reference to the issue of security at night on WTC.
4. Faculty Appeals Committee: a list of was sent to the Provost and the President on September 28.
5. Dean's evaluations
  - The Service Committee has been working with Nancy Tuchman, the Dean of IES, to try to come up with a new form which would be useful both to deans and to the Provost's office, and which would better capture information that would enable the Provost to do a better evaluation of the Dean, and give the Dean more concrete and specific information about areas of excellence and of possible improvement. Tuchman shared the evaluation form she had used, an extensive and wide-ranging document (prepared by an external consulting firm) of over 60 questions; she had found it very helpful. Not every Dean has had a full "360" evaluation of themselves and their staff. We communicated with the Provost, and after a very long delay, finally got a response. The Provost indicated that she did not favor the report form that Tuchman had used, but instead preferred one that she had used while at Marquette. She did not suggest that we adopt it, or hire the firm that had produced it to produce something similar for us. It is a shorter

form (about 30 questions), and the Provost thought the format was wrong for us. The critical issue for both the deans and the Provost is separating the responsibilities and evaluations of deans and associate and assistant deans. (NB: apart from the evaluations Faculty Council conducts, the deans do not undergo any other formal evaluations by their superiors.)

- Q: Is there any way that our deans can take leadership training, on a regular or refresher basis?
6. Trainings: HIPAA, IT, Title IX, conflict of interest reporting, etc. (plus threats of sanctions for non-completion)
    - General discussion. Low quality of the trainings; inapplicability of the trainings to the academic environment (how much do we faculty members really need to know about the new European data security regime?) We have much more to do with FERPA information, but have never had trainings in it. Do trainings need to be yearly? What is the appropriate interval, if not?
    - Conflict of interest (Miller): A CAS colleague has reported that they were told by an administrator that honoraria for scholarly talks require not only disclosure, but *prior approval*, by a faculty member's dean. Is this true, or merely a junior administrator's mistake?
    - Possibility of in-person trainings (for Title IX, for example)?
  7. Teaching Evaluation Task Force (Pope): No information at present.
  8. Visit by Wayne Magdziarz, CFO
    - Presentation (see "Town Hall Budget Update," Appendix 1: virtually identical presentation, Powerpoint to come)
    - Q&A:
      - Q: Will the current budget and economy considerations (also involving the program review) lead to faculty line cuts? WM: No, none are presently in contemplation, either to FT or NFT faculty. Only programs are under consideration. There are doubtless some programs whose cost cannot currently be justified.
      - Q: One of the takeaways of the "What If?" chart and the future freshmen class analyses is that we should not be tuition driven. universities at our ranking level typically have much larger endowments and finance programs, faculty lines, etc., with ROI from investment represented in the endowment. WM: there is no magic wand which will get us to a three billion-dollar endowment in the short term; but there is the opportunity for research active faculty to bring in revenue from grants.
  9. Motion to adjourn (5:08pm) (Conley); second (Gillespie).

Respectfully submitted by  
Hugh Miller, PhD, Secretary

## APPENDIX A

### Town Hall Budget Update (10-16-18)

#### --Headlines:

- Philosophy: resource allocation as service; transparency and feedback; meeting complementary and competing needs with limited resources.

- Current endowment: just over \$700 million.

#### --LUC fiscal health:

- Continued strong overall results of operations.

- Fragile margins driven by robust freshmen class size and overall undergraduate tuition.

- Expense reduction initiatives have been significant but further opportunities will need to be identified.

- Continued investment in people, program, and plant.

- Widespread graduate program erosion (\$15 million over the last seven years).

- Continued pressure on keeping tuition increases low.

- Heating job market will challenge our merit pools.

#### --Revenue:

- 70% of revenue is from tuition.

- \$194 million in “unfunded” scholarships.

- \$72 million in auxiliary services revenue.

#### --FY18 forecast variables:

- Additional salary lapses (SSOM faculty).

- Large freshmen class and transfer students.

- Fewer undergraduate continuing students.

#### --FY19 forecast variances:

- Large freshmen class.

- Budget reductions.

- SEIU CBA-related faculty increases.

- New tuition to salary/benefit expense: 87.2% in FY16, and 83.9% in FY18 with VTIP.

#### --Investments and reductions:

- Made \$3 million in MAP contingency money in FY17.

- \$4.5 million in HCMI in FY18.

#### --FY19:

- Permanently removed \$2.4 million through VTIP.

- Removed \$6 million in staff dollars.

- Removed \$4.5 million in health care and retirement plan adjustments.

- Continued assessment of FPWG initiatives (centralized travel, HR benefit changes, and position control).

- Total for FY19: \$14 million.

#### --Total: \$20 million in last 3 years.

- Continued investments in merit pool adjustments, NTT faculty compensation, building renovations, etc.

#### --What if?:

- Non-robust freshmen classes?

- Non-proactivity of worker costs?

- Poor additional revenues?

- Enrollment budgeting and pricing:
  - Freshmen applications will probably increase by 20% based on the Final Four run.
  - Largest increase: soft, out-of-state students.
  - Admission yield rate will likely decrease by 3%.
  - High school graduates in IL will likely decline, and IL is a net exporter of students.
  - Freshmen discount rates continue to increase.
  - LUC is mid-pack among ACJU in tuition increase modelling.
  - Brand is strong, but capacity is still an issue.
  - Housing: considering number and type, with migration towards freshmen/sophomores only.
  - Average student debt as of FY16 was around \$33,000.
  - Current debt load: slightly over \$400 million.
  - Housing and JFRC differentials stay in housing for improvements and reserves.
- FY20-FY22 projections:
  - Current shortfall from \$25 million budget reduction goal is -\$3.8 million, -\$3.9 million, and -\$3.3 million.
  - Fundraising: increased from \$30.1 million to \$43.2 million, with a 5.8% giving rate (ideal goal: 10% giving rate).
- Maintaining strong financial results:
  - New academic programs that capture market share.
  - Suspension of non-sustainable programs.
  - Close analysis of CPCH across schools/departments.
  - Build endowment and fundraising to offset unfunded scholarship needs.
  - Continued restructuring of essential services to reduce operating costs (HCMI).
  - Creative pricing structures mindful of > net revenue.
  - Identify alternative revenue sources to make us less tuition-dependent.
  - Maximize/right-size student housing inventory for maximum capture of undergraduates.
- Next steps:
  - Fall town halls.
  - Finalize FY20 budget in mid-November for board approval on December 6 (including revised FY21 and FY22 projections).