

Minutes of 13 April 2009
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THE UNIVERSITY OF MICHIGAN
SENATE ASSEMBLY MEETING
13 APRIL 2009

Present: Abdo, Adlerstein-Gonzales, Andjelkovic-Zochowska, Bergin, Boxer, Brown, Denver, Eagle, Ensminger, Fauman, Fitzgerald, Fossum, Fraser, Holland, Karni, Ketefian, Kileny, Lehman, Lenk, Maher, Najita, Navvab, Ottaviani, Potter (Chair), Prygoski, Queen, Reddy, Riles, Rothman, Saunders, Sheets, Silverman, Smith, Stark, Sweeney, Thompson, Thornton, Thouless, Wakefield, Yang

Requested Alternate, None Available: Altschuler (Medicine), Larsen (LSA), Lim (Business), Maybaum (Medicine)

Alternates: Jones (R. Green-Retiree)

Absent: Adriaens, Andre, Avi-Yonah, Clague, Culver, Currie, Dey, Frier, Friesen-Lynn, Frost, Geary, C. Green, Hardin, Hirshorn, Jackson, Kabamba, Kearfott, Koopman, Kosch, Mahalingam, Moore, Mueggler, Patil, Poe, Primus, Rahme, Salesa, Samson, Senkevitch, Shah, Staller, von Buelow, Ziff

MATERIALS DISTRIBUTED

1. Draft Senate Assembly Agenda
2. Draft minutes of the Senate Assembly meeting of 16 March 2009

Chair Potter convened the meeting at 3:20 P.M. The draft agenda was adopted with allotment of an additional 10 minutes for the Academic Success Study report.

CONSIDERATION OF MINUTES

The minutes from the 16 March 2009 meeting were approved as submitted as part of the consent agenda.

ANNOUNCEMENTS

1. SACUA officer elections were conducted on 6 April 2009. Professor Thouless was elected chair and Dr. Fraser was elected vice-chair.
2. SACUA received reports from the Recreational Sports Committee and from the committee on instructional technology that discusses possible future roles of the university library and CRLT, SACUA will develop responses about both reports shortly.
3. SACUA held a discussion of research faculty tracks representatives of the medical school administration at its 6 April meeting.

VISIT OF UNIVERSITY PROVOST TERRY SULLIVAN

Chair Potter introduced the provost at 3:24 P.M. She made remarks about the economic outlook for Higher Education with the aid of a PowerPoint presentation. Key elements of her report included:

- There have been declines in endowment income and state support nationwide. Problems have included risky investments, relying on cheap credit, investing operating expenses, overbuilding, and student demographics.
- The costs of higher education are driven up because the core activities of research and teaching are labor intensive. Additional drivers include investments in facilities and technology, increased volume of core activities, and competition for the best students and faculty.
- At the U-M, the annual growth of general fund expenditure has been 4% per year over the past 5 years. The biggest contributors to this growth have been scholarships, fellowships, and utilities. State appropriation has not kept pace with the consumer price index. As a result, state support is reduced by \$100M from a CPI-adjusted FY02 projection.
- The U-M has benefited from diversification of revenue streams, including generous support for student financial aid from donors. Auxiliary units including the ospital and health system, athletics, and the residence halls have generated revenue. Cost containment efforts have resulted in reductions of 1 or 2% per year as an ongoing element of the budget process.
- Additional strategies include attention to energy efficiency, purchasing strategies, health benefits strategies, leveraging IT, more effective use of space and facilities, and greater productivity of staff.
- In FY10 the administration will reduce the U-M contribution to employee health benefits and will impose a waiting period for contributions to the retirement savings plan. It is exploring outsourcing for voice telephone and virtual servers, and limiting vendor options. It has denied or postponed requests for capital projects.
- The effect of current economic crisis will be ontinuing decline in state revenues, increased financial aid requirements, and weak academic and industrial job markets.

The provost concluded her prepared remarks at 3:50 P.M. Professor Riles asked about the magnitude of losses sustained by the U-M from its investments in private equities. The provost replied that she has received no word yet on that subject.

Professor Rothman asked whether the administration has considered increasing acceptance rates for student applications. The provost replied that they did so this year because they suspected the yield would be lower everywhere. But, she said, there may be a lot of late decisions, after financial aid offers become known.

Professor Ketefian remarked that there was significant need for financial aid for graduate students, especially foreign students. Provost Sullivan replied that resources for international students have been a real problem. She explained that the Ross Business School had an arrangement with a lender who withdrew from the agreement, but that a new lender has been identified. She said that the fallout had been hard on second-year students because the loans are regarded as risky by the lenders. She added that graduate students tend to receive departmental funding in the form of research and teaching support.

Professor Abdo asked whether there was attention being given to redundancy across campuses with respect to academic programs and resulting competition for students. The provost replied that she plays no role in decisions about regional campuses and that the chancellors report to president Coleman. She acknowledged that there is no coordinating board to address the issue raised by Professor Abdo.

The provost remarked that the new centralized textbook ordering policy was originally advocated by students, but now is becoming mandated by federal law. She acknowledged that there is a regrettable conflict with the interests of local business owners, but that the policy resulted from a balancing of interests. Professor Abdo asked why the mandated deadline for election of texts is so far in advance of the Fall Term. Provost Sullivan replied that federal legislation stipulates that the information must be made available when students are registering for their courses.

The guest left the meeting at 4:05 P.M.

ACADEMIC SUCCESS STUDY

Chair Potter yielded the floor to Professor Lehman, AAAC chair, at 4:05 P.M. Professor Lehman introduced Professor Riles, chair of a subcommittee consisting of Professors Pedraza, Riles, and Wakefield, who had written the AAAC Academic Success Study report.

Professor Riles delivered the AAAC report with the help of a PowerPoint presentation (Appendix A). He concluded the report at 4:30 P.M.

The Assembly discussed the report as Committee of the Whole. Key points of discussion included:

- The study was hampered by the limited types of information provided to the committee by the administration.
- The study did not compare in-state students with out-of-state students, but in general the out of state students tend to have stronger pre-admission indicators.
- The committee was not provided with reasons why students withdraw from the U-M.
- No data about success beyond graduation was provided.
- The provost has transmitted the study to a task force.
- Deans will likely see the study, but faculty also play a role in admissions practices.
- More data should be sought about students who are disadvantaged by the look of pre-admission indicators but who succeed anyway.
- Transfer students were not included in the data provided to the committee.

- The committee would like to have additional information, including socioeconomic backgrounds; family circumstances are also not known.
- The accreditation process now underway is looking at the “added value” of U-M education.

Discussion concluded at 4:40 P.M.

FINAL REMARKS OF RETIRING SACUA CHAIR

Chair Potter assumed the floor at 4:40 P.M. to deliver his concluding remarks (Appendix B).

OLD/NEW BUSINESS

There was no additional business.

The meeting was adjourned at 4:45 P.M.

Respectfully submitted

John T. Lehman
Senate Secretary

University of Michigan Bylaws of the Board of Regents, Sec. 5.02:

Governing Bodies in Schools and Colleges

In each school, college, or degree granting division of the University, including those at the University of Michigan-Dearborn and at the University of Michigan-Flint, the governing faculty shall be in charge of the affairs of the school, college, or division, except as delegated to the executive committee, if any, and except that in the School of Graduate Studies the governing board shall be the executive board, and in the Medical School shall be the executive faculty.
