

FACULTY SENATE MEETING

March 3, 2010

1. Call to Order

CHAIR PATRICK NOLAN (Sociology) called the meeting to order, and welcomed Faculty Senators, colleagues, guests, and the Officers of the University.

2. Corrections and Approval of Minutes

CHAIR NOLAN asked for corrections to the minutes of the meeting of February 3, 2010. There were no corrections and the minutes were approved as written.

3. Reports of Committees

a. Senate Steering Committee, Professor Rebekah Maxwell, Secretary

PROFESSOR MAXWELL (Law Library) presented the volunteer slate for faculty committees (included in agenda package at page 12). The Senators accepted the slate. Professor Maxwell left the floor open for further nominations.

b. Committee on Curricula and Courses, Professor Jennifer Vendemia, Chair

PROFESSOR VENDEMIA (Psychology) reported changes in courses and curricula from the College of Arts and Sciences, the Moore School of Business, the College of Engineering and Computing, the School of Music, and the College of Nursing (please see attachment, pages 13 - 17).

The Committee recommended that the Faculty Senate accept the changes. The changes were approved as written.

c. Faculty Advisory Committee, Professor Harold Friedman, Chair

CHAIR NOLAN noted that, while the Faculty Advisory Committee had no formal report, he hoped that many of his faculty colleagues had been able to attend the Faculty Forum on the 25th and had heard the lively discussion of the Faculty Manual changes. The forum generated some very good suggestions and identified some issues not considered by the committee. The committee will meet once more to consider those suggestions. The committee will post a revised document on its website for the review of the faculty, and a vote is scheduled for the General Faculty meeting on April 27th.

d. Faculty Welfare Committee, Professor Charles Adams, Chair:

PROFESSOR CHARLES ADAMS (Public Health) reported on the activities of the committee in response to the Focus Carolina Quality of Life Committee. The Committee identified its number one issue as compensation – issues of salary inequity and salary compression at USC but also the proposed setting of benchmarks for salaries at USC relative to our peer and peer aspirant institutions. As an outcome of that recommendation, the Faculty Welfare Committee invited the Provost to join it in January of this year, at which time it proposed a salary study to begin to assess the degree of the perceived problems. The Provost agreed to conduct such a study and the committee is in the final stages of planning it. Professor Adams welcomed the thoughts of the Senators and faculty, and encouraged them to contact him through the committee’s website at <http://www.sc.edu/faculty/committees/facultywelfare.shtml>.

The Faculty Welfare Committee met recently with several student leaders to discuss issues of sustainability. The committee had identified sustainability as an important issue for its agenda this year, and suspected that the students were ahead of the faculty on these issues. This suspicion turned out to be correct, and the committee and the students had a lively and productive discussion. Professor Adams presented some highlights from the meeting:

- The students want to see more sustainability in the curriculum both in terms of stand-alone courses and infused into other curricula. They noted that they’d been told by some faculty members that this isn’t always practical and volunteered to help any faculty member figure out how to include sustainability into his/her course. The students who met with the committee are: Joseph Fox, Andrew Grayczyk, David Sabio, Ivey Kaiser, and Mary Tablac. They and the committee agreed that while it is important to educate all existing students and faculty on issues of sustainability, it would be critical to put some component into orientation for new students and faculty regarding recycling and sustainability.
- The students also expressed an interest in some sort of degree program relating to sustainability. Professor Adams has spoken with Professor Madilyn Fletcher, who is Director of the School of the Environment, and has discovered that initiatives are already underway there. The School of the Environment is exploring the existing curriculum to inventory where sustainability is already being addressed. The School has just initiated a Bachelor of Science degree in Environmental Sciences. It is working on a Bachelor of Arts in Environmental Studies, which includes a concentration in sustainability.
- Professor Adams asked the students what messages and ideas that they would like to send to the Faculty Senate. Here are their responses:

- *They are very grateful for our teaching
- *They remind us that we serve as role models to them, so please lead by example and make sustainability relevant to you.
- *Sustainability is not a fashion trend and it is not climate change.
- *Sustainability saves money.
- *Education is sustainability. The knowledge and information that we share sustains future generations.

Professor Adams invited the Faculty's ideas on sustainability, and encouraged them to communicate them to him through the committee's website.

Professor Adams reminded the Senators that in the fall he had invited faculty to take advantage of some cardiovascular screenings offered through the Exercise Science department. These are funded by the Faculty Welfare Committee, and there are still about 17 screenings available. The screenings are valued at \$170 each, and interested faculty may schedule one by calling 777-0431.

4. Reports of Officers

PRESIDENT HARRIS PASTIDES greeted the Senators throughout the University system, and opened his report with an overview of the University's current financial picture. We face a 21% decline in our state appropriations in the new fiscal year, which begins on July 1. This decline is in addition to the 32% decline that we have experienced since July of 2008. In two short fiscal years, our cumulative cut will have been \$103 million. Going into FY11, our state appropriations will make up an estimated 12.5% of the entire budget of the University of South Carolina. The largest percentage of our operating budget comes from tuition, and it is an important variable to consider as we go forward. The second-largest source of funding is monies that we bring in from the Federal Government, primarily through federal grants and contracts. The third source is revenue-generating operations such as the bookstore, the cafeterias, the residence halls, and athletics. The fourth source is philanthropy – gifts from our donors, our alumni, foundations, and corporate sponsorship. Our fifth source of funding would be the State of South Carolina.

President Pastides noted that he understands that the State Government and the South Carolina General Assembly are under extreme pressure in forming the budget. The President had just returned from Washington, and had observed the same economic pressure brought to bear on the nation and on all of its states. However, he observed that the SC General Assembly had taken the second year of stimulus funds that had been allocated to the University by the Federal Government, had shifted those funds into the University's state budget, and declared the cuts for public higher education to be zero. The President emphasized that this is not the case.

President Pastides presented a number of approaches that the University could take in response to this drastic decline in state funding and in regard to the use of the stimulus monies.

1. We could cancel all of the activities that we thought we could undertake with the one-time funding, and shift the money to the core budget. We could attempt to get through one more year and worry about the decline in state funding in FY12. The President does not consider this to be the prudent course. We may have to cancel some of the planned activities, but before we make those decisions we will have to look at the core services of teaching and learning.
2. We could begin cutting the University's budget now in anticipation of the millions in recurring funds that we won't have in FY12. The President also considers this reaction to be imprudent.
3. The more prudent course is to begin detailed planning in conversations between the University's Administrative Team and the faculty, the Deans and Chancellors, to identify how we can absorb these cuts and still continue to be the University that we all want to be.

The University Administrators will conduct the traditional spring budgetary meetings with Faculty Senate, undergraduate and graduate representation. They will have a retreat with the Board of Trustees to examine the levers of tuition and capacity. The President intends to look at every variable that can be manipulated and then work with the faculty to determine the best path forward.

President Pastides reported that legislation is being contemplated by the SC General Assembly that would restrict our ability to use two of the levers available to us. The legislation would seek to cap tuition increases and to cap the proportion of out-of-state enrollment (the number that has been mentioned is 35%). The President does not expect either provision to be passed.

President Pastides had just returned from Washington from a mission to gauge the level of support of the federal government for our University. He noted that it is neither possible for the University to look to our nation's capitol for tangible assistance in the short term, nor is it possible to look to the statehouse across the street. The President remembered asking our state government for a compact or a pledge that the University would do what it could in the short term if the government would pledge a return to reasonable funding when the economy returned. This discussion occurred before we got the news of an additional 21% cut. President Pastides expressed regret at the necessity to talk to the Senate about these statistics and the budget that we face, but felt that the Senators needed and wanted the information. The President then called on Vice President Ted Moore to provide further details on the potential impact of the budget cuts.

VICE PRESIDENT TED MOORE began his report with an overview of his recent meeting with the Faculty Budget Committee. He discussed with the committee the issues that he brought today to share with the Faculty Senate.

Vice President Moore noted that at the last meeting of the Faculty Senate, he reported that we had some adverse expectations regarding the upcoming budget issues. The uncertainty has resolved quickly, and we can now begin to apply some numbers and parameters to our situation.

The current state appropriations bill now in the House Ways and Means Committee reduces our recurring appropriations by another \$32.7 million for the USC system. That translates into \$27 million recurring funding for Columbia and the School of Medicine. Excepting the School of Medicine, Columbia faces an additional loss of about \$23.5 million. The Vice President emphasized that the 21% in funding cuts applies not just to every aspect of USC but also to all of higher education in South Carolina. As the President mentioned, the stimulus money was used to “backfill” the budget. Vice President Moore observed that to determine how the budget cut was calculated, one need look no further than the amount of stimulus funding; the cut mirrored the amount of stimulus monies down to the dollar.

The state budget shortfall continues to be in excess of \$500 million. The 21% cut that we are seeing will most likely not cure that entire deficit. This means that the University likely has at least one more year of significant cuts to prepare for. It is entirely possible that the \$23.5 million that is taken out of USC Columbia’s budget this year could be followed by another amount in the same neighborhood next year, so we are preparing for that.

Vice President Moore described how the upcoming budget cuts will be distributed throughout the state. The cuts range from 0 to 30%. Some of the health units such as DSS received a zero percent cut. This is not a surprise given that the legislature tells us every year that they have to deal with K-12 and Medicaid first. Higher education is third and we understand that. Some of the state agencies that were hit the hardest include at 30% cuts at the State Treasurer’s Office, in the Office of the Comptroller General – so the Treasurer and the Comptroller basically had some of the worst hits in the entire state.

The cumulative loss so far for the USC system is \$103 million; in FY 2012 it may be over \$120 million. The University must plan for the worst-case scenario, even as we hope for the best.

Vice President Moore summarized some of the reported budgetary statistics that have been reported recently in the media. Press releases have announced that the university system in Georgia is preparing to lose 4,000 jobs, and that tuition is expected to increase by 77%. The Vice President noted that neither of these rumors is true. According to an authoritative source in the Georgia system, the rumor arose when the Chancellor of Georgia’s university system asked the presidents how much of a tuition increase would be necessary to cover its entire budget cut. The answer was 77%. The 4,000 jobs is the answer to the question of how many positions the

university system would lose if the entire budget deficit were transferred to the universities with no tuition increase. The Vice President noted that if USC were to do similar calculations, the answers might be equally shocking. He observed that, to combat the misinformation arising from these news reports, virtually all of the presidents in Georgia's system are having town hall meetings to try to reassure their constituencies that the rumors are untrue and to outline the steps being taken to respond to the budget cuts. The South Carolina system, like the Georgia system, is considering tuition increases, reductions in force, and admitting more students.

Even manipulating these three levers to the extent that is reasonable and possible, the bottom line is still not a pretty picture. However, when news stories accentuate focusing on only one axis, the perspective is alarming.

The Administration Team is considering several areas where expenses might be reduced, including:

1. Cell phone provision by the University.
2. Post-retirement employment: a proviso is being debated currently in the House that would limit the amount of income that a post-retiree could earn to 75% of what he or she were earning before leaving retirement. If the proviso passes, it will have an effect on people's willingness to continue past retirement age. There also will be tighter restrictions on post-retirement employment.
3. Furloughs: President Pastides has made clear from the beginning that furloughs are to be used as a last resort. The savings are one-time and the procedure amounts to a pay cut for the individuals affected. A measure being debated in the House began to create mandatory furloughs and now is being treated as creating voluntary furloughs – that is, unpaid holiday time. The Vice President notes that this idea still amounts to a mandatory furlough, and it is unclear whether the measure will survive.

Also in response to the budget cuts, a modest tuition increase is likely, as well as the admission of a carefully-planned number of additional students.

Vice President Moore assured the Senators on behalf of the Administration Team that the entire University System is in this together, and that the academic and the service sides will share in the cuts. Each side will experience some necessary curtailment of some services.

PROVOST MICHAEL AMIRIDIS noted the necessity of addressing the University's budgetary issues, but wanted to begin his report with exciting, positive news. The Provost's Office recent call for proposals in the Social Sciences generated 65 proposals. Professor Irma VanScoy has taken on the leadership of the QEP Proposal currently being prepared under

auspices of the Provost's Office. Professor Paul Solomon from the School of Library and Information Science has agreed to lead our Distance Education accreditation efforts.

The Provost then turned his discussion to the financial aspects of our immediate future. He underscored the points made by President Pastides and Vice President Moore, and noted that some audience members were now engaged in planning for potential budget cuts on the orders of 3, 5, and 8% in the units. He noted that while the situation is challenging and the cuts are unprecedented, the time has not yet come to circle the wagons or to believe that the sky is falling. However, we must be cautious as we move forward because it would be irresponsible to do otherwise.

Provost Amiridis observed that when he undertook the job of Provost seven months ago, he did so out of a desire to stand with the faculty and the University as the next chapter in its history was written. This history is a great success story over the last three decades, and has generated unprecedented progress as an institution. Last fall, the Provost became a messenger of President Pastides' vision of a bigger and better University, and he talked with alumni, faculty, and friends with a full understanding of the message. He understood the challenges ahead and had every confidence in the ability of the faculty and the administration in achieving this goal. When he visited the University's many units, he talked about bringing in more senior faculty members, about supporting more of our doctoral programs, about raising expectations for excellence in teaching, in research, in everything that we do. He understood the difficulties we would face and the level of resources that we would need to realize our ambitions. We cannot allow the 2010-2011 budget process to change our goals. We cannot allow this process to change our aspirations or our dreams for a better university. This is not negotiable.

The President pointed out very clearly what the state is providing for us, and it is not our biggest asset. In fact, Provost Amiridis argued, our biggest asset is not our finances but our people. Funding provided by the state is number five on the list of support sources for the University.

We will have to adjust our plans and will have to work in some delays in our schedule of achievement. We may have to re-prioritize some of our initiatives in response to the budget cuts, but that doesn't mean changing our main goals or our main aspirations.

The Provost is working with Vice President Moore, President Pastides, and their staff members to determine the parameters of the University's response to the decline in state support. Provost Amiridis acknowledged the excellent work of Vice President Moore as Chief Financial Officer, and noted how fortunate we are to have an academic in this position. Now that we are fairly certain about the size of the budget cut, we can consider the two levers mentioned by Vice President Moore for adjusting income.

One lever is the number of students. We admitted 4,000 freshmen last year, and are probably going to admit a couple hundred more. As Vice President Moore noted, we must be very

sensitive when adjusting the number of students. We must do it in a way that does not sacrifice the gains that we have made or the quality of students that we bring in. We must do it without sacrificing the diversity of the student body and we must be mindful of the ratio of out-of-state to in-state students.

Dr. Dennis Pruitt, our Vice President for Student Affairs, is an expert in this area. This is an area of concern for university systems nationally, because the standard prediction models have been stressed in the past year by economic conditions. We are experiencing conditions that we have not before, so there is concern that the previous models may prove unreliable in the current economy. The Provost has confidence that Dr. Pruitt and his staff will be able to come very close to the targets set for them, and will be able to factor in the admission of 200 more students in the Columbia system. The regional campuses are also looking to increase admissions.

The second level that we can manipulate is tuition. Some percentage point has to be realized this year because of changes in the price of electricity, of gas, and of other necessities that we can't control. So a small percentage off the top of our revenues will have to go to satisfy the increased costs regardless of tuition, budget cuts, or any other variable. The question then becomes, "How much over this can we increase the tuition in a way that is affordable to our students and that we will all be able to live with at the end."

Just days after the budget cuts were announced, Coastal Carolina was the first institution that announced that they are raising tuition this year 4.9% for in-state students and 8% for out-of-state tuition. We will not know until sometime in April what the increase will be for USC. The President will discuss the issue with the Board of Trustees and the Administration Team will determine the appropriate number for us. The Provost was planning for this endeavor when he sent a request to the Deans and Chancellors for budget cuts at the 3, 5 or 8% level. The different figures will help us see what the options are.

We have another planning tool in the form of the stimulus funding, and we must be responsible in the ways in which we use it. The Administration Team will be working very closely with the Deans and the faculty to make the necessary decisions when the time for them comes.

Provost Amiridis recounted a conversation with Senate Chair Patrick Nolan, where Chair Nolan asked, "Does this mean that we will be asked to do more as faculty members? That is what the Senators would like to know." The answer is probably yes. People may be asked to teach an extra course, or funded researchers may be asked to buy a couple of extra months out of their grants. Administrators – Department Chairs and Deans – may be asked to work longer hours with less help. The extent remains to be seen, but the Provost is ready to make the pact that the legislators would not: If the faculty helps the University get through these difficult times, the University will see that they get the right treatment.

The Provost opened the floor for questions for the Administration Team.

PROFESSOR AL PAKALNIS (School of Medicine) noted that since the faculty is obviously the University's greatest asset, why don't we try to become more proactive on our own behalf? He suggested that the Moore School could produce a white paper or a symposium on economic stimulus through education. He noted that education is an important resource for reviving the economy and that we might have more success with the legislature if we capitalize on our contributions to the local economy and generate good publicity in the media and goodwill in the community.

PROVOST AMIRIDIS noted that the Moore School has already produced such a study and is updating it annually, documenting the impact of the University through the years.

PROFESSOR PAKALNIS was thinking of a bigger event, something that would capture the public's attention, such as a symposium at the Darla Moore School of Business, with speakers from across the nation, as well as from USC, who could explain what a mistake it is to cut education. Education, he observed, will probably be the force that drives our national economy out of recession and puts the United States back at the top of the global economy.

PRESIDENT PASTIDES agreed that Professor Pakalnis is correct that we are hocking our state's future by cutting higher education. College and university leaders in South Carolina have been united in this message and the President sees some opportunity to prevail on that idea, but not right now. The President noted that on March 24th, supporters of USC will be at the statehouse for Carolina Action Network Day, talking with legislators and encouraging renewed support for the University. The Moore School has just concluded a report about the University's economic impact and there are many, many white papers that could be done. While these efforts won't help us in FY11, they may help us in the future.

PROFESSOR MARCO VALTORTA (Computer Science and Engineering) asked for clarification of the percentage of University support represented by state appropriations after the 21% cut.

PRESIDENT PASTIDES stated that it is 12 to 12.5%.

PROFESSOR STEPHEN SHEEHI (Languages, Literatures, & Cultures) wondered where the stopping point is, where is the point that represents the red line, the point where we say to the legislature, "We are not going to do this anymore, we can't cut anymore?"

PRESIDENT PASTIDES replied that we can draw a red line wherever we want it to be, but we have to understand the consequences of doing so. We could force the red line even in this year by going with a very steep tuition increase, but there would be consequences. We would become increasingly self-dependent and increasingly privatized. The President is willing to engage with the faculty in a discussion about the desirability of this approach, but he does not believe that the government is totally deaf to our concerns. While he disagrees with the philosophy and the

outcome, he feels that the legislature believe that backfilling our budget with stimulus funds was the prudent thing to do. The President is willing to work with the legislature a bit longer, but notes that if we were ever to find the red line, the process would require the involvement of the Board of Trustees and the faculty.

6. Report of the Secretary

There was no report of the secretary beyond that given in the Steering Committee report.

7. Report of the Chair

CHAIR NOLAN did not present a formal report, but noted that the economic difficulties we are facing are nationwide. Chair Nolan expressed his confidence that President Pastides, Vice President Moore, and Provost Amiridis are taking all consideration to preserve the core of the University, which is the faculty and the students, but believes that we are going to have to do some difficult things.

8. Unfinished Business

PROFESSOR REBEKAH MAXWELL issued a last call for nominations for the committee volunteer slate. There were none and the Senators elected the nominees. Professor Maxwell congratulated and thanked the newly-elected committee members, and Chair Nolan read the roster of new and departing committee members (please see attachment, page 12). Terms for new members begin on August 16, 2010.

9. New Business

There was no new business.

10. Announcements

On behalf of Pamela Melton, Chair of the Athletics Advisory Committee, Chair Nolan announced that South Carolina placed a league best: 78 student athletes on the SEC fall academic honor roll. USC was Number 1, followed by Georgia with 54.

The **General Faculty Meeting** will be held on **Tuesday, April 27**, at **2:00 p.m.**, in the Law School Auditorium. The faculty will be voting on the changes to the Faculty Manual. The **Faculty Senate** will meet after the General Faculty Meeting.

11. Adjournment

A motion to adjourn was seconded and passed.