

# FACULTY SENATE EXECUTIVE COMMITTEE

**Minutes of December 5, 2001 (approved)**

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The Faculty Senate Executive Committee met at 2:00 PM on December 5, 2001 in Capen 567 to consider the following agenda:

1. [Report of the Chair](#)
2. [Report of the President/Provost](#)
3. [Update on State Held/University at Buffalo Foundation Endowments – Senior Vice President Robert Wagner, Mr. Edward Schneider, Executive Director of the UBF](#)
4. [Tuition Remission from Sponsored Awards – Dr. Charles Kaars, Assistant Vice President for Sponsored Programs Administration](#)
5. [Old/new business – Draft statement from Buffalo SUNY Senators in preparation for January SUNY Senate meeting in Binghamton](#)

## **Item 1: Report of the Chair**

The Chair reported that:

- Professor Malone has been hospitalized at Buffalo General Hospital, is in stable condition and would be glad to hear from other members of the Executive Committee
- 29 absentee Senators have responded to his query about their participation; 7 have resigned and 22 have expressed interest in continuing to serve; the quorum requirement for December's Faculty Senate meeting will reflect the resignations
- he has received some responses to his canvas of Executive Committee members for suggested discussion topics for the Spring Semester, e.g., more discussion with the Provost rather than

presentations, classrooms, and security on the South Campus

## **Item 2: Report of the President/Provost**

The Provost announced that UB has received its second prestigious National Science Foundation IGERT (Integrative Graduate Education, Research and Training) grant, this one for \$2.7M to create a multidisciplinary training program for biophotonics scientists. The grant will fund 16 Ph.D. students for four years. She noted that because of the large number of its programs, UB is particularly well suited for multidisciplinary work.

Many of UB's research centers have expressed their concern to the Provost about the lack of appreciation of work done in the centers by the individual departments in which faculty hold their appointments. The Provost will be talking with the Deans about these issues. She also invited the Faculty Senate to help her think about these issues. One suggestion has been to include a provision in the Promotion and Tenure Guidelines requiring the participation of research centers in the promotion/tenure process of faculty who work in the centers.

The Provost met with the Distinguished Teaching Professors to discuss the need for publicity about the excellence of teaching at UB. The public believes that most students are in large classes taught by TA's with minimal English language competency. The reality is very different. Most faculty care about the quality of their teaching, and the newly required teaching portfolio in a promotion and tenure dossier signals the University's concern about teaching.

- (addressed to the Provost) comment on the notions that rank is University wide rank, not just rank in a School, and that promotion and tenure decisions should be based on the totality of a faculty member's work, both within and outside of the department in which he holds appointment (Professor Cohen)
- the problem is not at the University level, but at the department level where contributions to the department may be valued over contributions to the University, and the department votes accordingly on promotion and tenure (Provost Capaldi)
- UB tried making joint appointments to accommodate multidisciplinary work, but that proved awkward (Professor Fournier)

- another aspect of the problem of multi-disciplinary work is the differing standards held by disciplines, so what looks like a good dossier in one department may not be acceptable in another (Provost Capaldi)
- perhaps need an ad hoc committee composed of faculty from all areas in which work is done to look at multidisciplinary dossiers (Professor Fournier)
- might also consider including the vote of the research center in the dossier (Capaldi)
- on December 7, 1999, the Senate passed a resolution dealing with evaluating multidisciplinary work in tenure and promotion, which, inter alia, recommended that a letter from the research center evaluating the candidate's work be included in the dossier, that the chair of the research center be included in discussions of the candidacy at which the department chair is present, and that the chair of the research center be permitted to address the departmental body voting on the dossier (Professor Hopkins)
- the President also established a committee, chaired by Professor John Hay of the School of Medicine, who was assisted by Associate Dean of the College of Arts and Sciences Lorraine Oak, to look at UB's research centers and issues raised by them; the committee met for two years and reported to the President and to the Executive Committee (Professor Malave)
- because of the budget structure of the University, can't fault departments for wanting a faculty member who contributes to the work of the department (Professor Boot)
- the School of Medicine tried to avoid joint appointments, instead making primary and secondary appointments; loss of the primary appointment also resulted in the loss of the secondary appointment; tenure was based on the work in the department of primary appointment (Professor Cohen)
- another possibility is tenuring in the centers (Provost Capaldi)
- centers come and go; adding teaching to the tenure and promotion equation adds another level of complication (Professor Cohen)
- junior faculty should concentrate on a single area of research prior to tenure (Professor Sridhar)
- will check with the President's Office to ascertain the status of the report of the President's committee and the Faculty Senate Resolution (Professor Cohen)

Later in the meeting, President Greiner offered his good wishes for the holiday season.

### **Item 3: Update on UBF Endowments**

Senior Vice President Wagner offered a context for discussion of UB's endowments. While UB has the largest endowment within SUNY (\$447M), by comparison Harvard has \$19B and the University of Rochester \$1B. Most institutions have one endowment managed through one vehicle; UB has two endowments managed through two vehicles: the endowment of the University of Buffalo which became the property of the State of the New York and SUNY and is overseen by the SUNY Board of Trustees and the post 1962 endowment of the University at Buffalo which is overseen by the University at Buffalo Foundation.

Edward Schneider, Executive Director of the University at Buffalo Foundation, presented a report on combined State Held/UB Foundation endowment support for FY2000/01. His report covered the size of UB's endowments, their investment performances, their investment objectives, their asset allocation policies, their asset spending policies, and their operational structures.

- as of June 30, 2000, UB's endowments had a combined market value of \$435M, placing UB nationally in the top 100 endowed institutions
- UBF has received \$60/70M in new gifts; the remainder of its total value is made up of retained investment returns; the State Held endowment has gotten very few gifts since 1962
- State Held endowment totaled \$23M in 1962; it now totals \$285M
- State Held endowment can only be used for the benefit of UB and not for other state or SUNY purposes
- UBF tracks individual gifts and reports to donors about their use
- investment objective of maximizing total investment return is shared by both the SUNY Board of Trustees' Investment Committee and the UBF Investment Committee
- from 1991-2000 the State Held endowment had a net return of 12.5% and the UBF endowment of 12.7%; the average net return of National Association of College and University Business Officers (NACUBO) members was 13.2%
- for 2001 the UBF return was -2%; the NACUBO average was -8%

- NACUBO rate of return rankings of the State Held endowment and the UBF endowment have been dropping; for the period 1991-2000 the State Held endowment ranked 208 and the UBF Endowment 193 among 340 institutions; in 2000 the State Held endowment ranked 414 and the UBF endowment ranked 322 among 464 institutions; UBF is concentrating on moving into the top quartile; rankings during the 1990's are skewed by the high returns of the super rich institutions that could afford to invest less conservatively
- UBF and State Held endowment costs for investment management, custody, consulting and administration are respectively .6% and .7%; the NACUBO average is .7%
- asset allocation for both endowments is heavily weighted to domestic equity and secondarily to fixed income
- both the UBF and State Held endowments share the following spending formula: "Spending per unit (share) is increased 5% in each successive fiscal year unless: a) spending per unit exceeds 6% of average market value per unit, in which case spending is frozen at prior year's spending amount, or b) spending per unit is less than 4.5% of average market value per unit, in which case spending is increased to equal 5% of that average value."
- for 2000/2001 \$25M was budgeted for expenditure from the combined endowments
- \$6.2M went to instruction and departmental research, \$7.2M to organized research, \$5.8M for general institutional services (budgeted expenditures for fundraising and the for the general needs of the University), \$3.4M for scholarships
  - break out amount that goes to athletics (Professor Boot)
  - report is based on function, not on units; athletics probably gets under \$200K in endowment budgeted expenditures; larger amounts for athletics come from spendable yearly gifts and gate and advertising revenues (Senior Vice President Wagner)
  - total Athletics endowment is \$3.3M (Mr. Schneider)
  - why were two endowment entities created rather than just a single one? (Professor Cohen)
  - when the State took over the University of Buffalo all its assets became the property of the State; however, for purposes of on-going fund raising a private foundation is much more attractive; almost all state universities have such a private foundation for their fund raising activities (Professor Baumer)
  - working on transferring yearly spendable amounts from the State Held endowment to the UBF, thus simplifying spending procedures (Senior Vice President Wagner)

- does the State have any legal avenue to spend endowment funds for purposes other than UB's benefit?  
(Professor Cohen)
- no, both because the State Held endowment is in fiduciary accounts and because there are deeds of gift which restrict the use of the gifts to UB purposes (Senior Vice President Wagner)
- are all assets liquid? (Professor Boot)
- all are marketable security assets (Mr. Schneider)
- is the State Held endowment subject to more investment restrictions? (Professor Adams-Volpe)
- no; only restriction was on investing in South Africa (Mr. Schneider)
- Table of Contents of the report distributed today includes sections on "Budgeted Expenditures Categorized by Administrative Area" and "Combined Budgeted Expenditures – Comparison to Prior Years", but the report lacks those sections; are they available? (Professor Nickerson)
- the Provost is the appropriate person with whom to discuss those sections (Senior Vice President Wagner)

#### **Item 4: Tuition Remission from Sponsored Awards**

In a December 2000 memo, Vice President for Research Turkkan announced that Principal Investigators were required to include the cost of tuition remission for Research Assistants as a direct cost in their sponsored award. In a September 2001 memo the Vice President announced policies for implementing that policy.

Dr. Charles Kaars, Assistant Vice President for Sponsored Programs Administration, outlined several of those policies:

Ø "All sponsored award budgets and subsequent charges will be based on the blended rate and not on actual tuition rates."

Ø "The blended rate is based on the weighted average of in-state and out-of-state University wide standard tuition charges."

Ø the Provost's Office annually supplies percentages of registered in-state and out-of-state graduate students by school from which the blended rate appropriate for each school is calculated

Ø if actual tuition costs are higher, the grant will, nonetheless, be charged the lower blended rate in effect at the time the grant was submitted; if the actual costs are lower, the blended rate for the following year will be adjusted

- many graduate students are from out-of-country, but programs try to convert them to in-state as soon as possible (Professor Baumer)
- are fewer graduate students but more post-doc's being written into grants because of the tuition remission policy? (Professor Nickerson)
- have pre-policy numbers, but need more experience with grants submitted under this policy (Dr. Kaars)
- policy says that graduate student must actually perform work on the grant to be eligible for tuition remission; some grants preclude graduate students from working (Professor Malave)
- true for training grants and fellowships but not for research grants (Dr. Kaars)
- will the student's stipend be decreased by the amount of tuition remission? (Professor Cohen)
- no, the two are separate matters (Dr. Kaars)
- how can students work on a grant while they are still taking courses? (Professor Noble)
- typically student spends half time on his own academic program and half being a TA, an RA or a grant employee; PI's must be more aware of the work requirement (Dr. Kaars)
- very few grants in the Humanities and Social Sciences (Mr. Patel)
- funding agencies choose to support hard science; state money is used to support TA's and GA's in the Humanities and Social Sciences (President Greiner)
- to the extent that funding agencies set maxima for grants, this policy takes money away from research and puts it in the University's pocket (Professor Churchill)
- if a student leaves a research project after the tuition remission takes effect, how can the PI satisfy the requirement that the student actually work on the project? (Professor Sridhar)

- tuition remission forms are not processed until late in the semester, so PI should be able to stop the charge for a student who has left; my own experience is that the U.S. Education Department sets an absolute dollar limit on some kinds of grants; if one's proposal is for the maximum amount before adding on tuition charges, this policy will indeed take money away from research (Professor Malave)
- UB faculty have not been in the habit of routinely asking for tuition; in the absence of a funding agency's clear policy not to pay for tuition, we should at least ask for tuition in addition to actual research costs; some agencies tell us we are leaving money on the table by not asking for tuition; if the agency with which you are working does not allow such funding, that is not a problem for the University (President Greiner)
- Sponsored Research is not sensitive to differing practices among the disciplines (Professor Malave)
- if a sponsor lacks a policy on tuition but only awards small sums, requiring that tuition come off the top may leave very little for the actual research (Professor Sridhar)
- the University will make accommodations in such situations (President Greiner)

#### **Item 5: Old/new business**

Various proposed resolutions calling for a SUNY tuition increase and a rational tuition plan for SUNY will be presented at the January meeting of the SUNY Senate. Professor Cohen has scheduled a Faculty Senate discussion of a UB alternative resolution drafted by Professor Adams-Volpe.

Professor Adams-Volpe's draft reflects the discussion at the November 28 Executive Committee deeming it politically unwise for SUNY faculty to spearhead a call for a tuition increase. Her substitute resolution calls for "the establishment of a rational funding plan for the State University of New York that incorporates all available funding sources in a cohesive, coordinated process. This process would include tuition as a correlative item, integrating it with all other funding and cost factors, and removing tuition from its present isolated position in the political environment." Additionally the resolution "calls on the Chancellor and the SUNY Board of Trustees to support a funding increase for the 2002-03 academic year based on a coordinated process integrating all available funding sources." She asked for comments on her draft.

There was a motion (seconded) to endorse the resolution.

- better to remove the last sentence of the first Therefore clause identifying tuition as one of the pieces of a rational funding policy; gives tuition too much emphasis (Professor Fournier)
- reluctance of the Legislature to vote for a tuition increase requires us to support a tuition increase as part of the package (Professor Baumer)
- resolution specifies "all available funding sources", which certainly will be understood as including a tuition increase (Professor Boot)
- understand that the Governor has told SUNY not to ask for any funding increase; need to oppose that restriction (Professor Adams-Volpe)
- revise the fourth Whereas clause into one sentence (Professor Hopkins)
- in the fourth Where as clause, also change the third from last word from "could" to "should" (Professor Baumer)

The motion to endorse the resolution, absent the last sentence of the Therefore clause and with the fourth Whereas clause rewritten, passed.

The Faculty Senate Grading Committee at a November 19, 2001 meeting agreed on draft revisions to Reasonable Academic Progress to Baccalaureate Degrees. The resulting document will not, however, be presented at the December Faculty Senate meeting because of concerns of Vice Provost Grant that require further work by the Committee. The Vice Provost has assured Professor Baumer that although the revisions will not appear in the new Catalog, an announcement of changed University policy will be made, allowing the provisions to take effect for the 2002/2003 academic year.

Professor Baumer asked for comments on the revised policy:

- in the document define all the letter grades (Professor Cohen)
- what is the problem with "R" grades? (Professor Sridhar)
- the current Catalog provides that an instructor can force an "R" grade for academic dishonesty; another concern is that the "R" grade is being abused by students who do grade shopping; there is a proposal to require a student to consult with an advisor if he wishes to take an R after the fourth week of the semester (Professor Baumer)

There being no other old/new business, the meeting adjourned at 4:00 PM.

Respectfully submitted,

Marilyn McMann Kramer  
Secretary of the Faculty Senate

Present: Chair: M. Cohen

Secretary: M. Kramer

Arts & Sciences: W. Baumer, M. Churchill, C. Fourtner

Dental Medicine: J. Zambon

Engineering & Applied Sciences: R. Sridhar

Graduate School of Education: L. Malave

Health Related Professions: G. Farkas

Informatics: J. Ellison

Management: J. Boot

Medicine & Biomedical Sciences: A. El Solh, C. Granger, B. Noble

Nursing: E. Perese

Pharmacy: A. Luzier

SUNY Senators: J. Adams-Volpe, J. Boot, H. Durand, P. Nickerson

University Libraries: J. Hopkins

University Officers:

W. Greiner, President

E. Capaldi, Provost

Guests: D. Longenecher, Reporter

R. Patel, Graduate Student Association

W. Coles, Chair, Professional Staff Senate

Excused: Parliamentarian: D. Malone

Arts & Sciences: J. Bono

Absent: Architecture: R. Shibley

Medicine & Biomedical Sciences: S. Spurgeon

