

**University of Denver**  
**Faculty Senate**  
**Minutes**  
**October 9, 2009**  
**Renaissance Room South**

**Senators (or proxies) present:** Lyndsay Agans, Bill Anderson, Miriam Bornstein-Gomez, Jennifer Campbell, Frederique Chevillot, Maclyn Clouse, Paul Colomy, Terry Dalton, Ralph DiFranco, Rachel Epstein, Stacey Freedenthal, Chris GauthierDickey, Sylvia Hall-Ellis, Mike Harris, John Hill (Executive Secretary), Jennifer Hoffman, Allison Horsley, Tim Hurley, Ruth Ann Jebe, Scott Johns, Peggy Keeran, Richard Leaman, Tiffani Lennon, Scott Leutenegger, Michael Levine-Clark (President), Mario Lopez, Sandra Macke, Chris Malloy, Mohammad Matin, Don McCubbrey, Robert Mill, Keith Miller, Annabeth Headrick (proxy for Mia Mulvey), Ved Nanda, Vijaya Narapareddy, Paul Novak, Maik Nwosu, Linda Olson, Pallab Paul, George Potts, Martin Quigley, Paula Rhodes, Polina Rikoun, Karen Riley, Nicholas Rockwell, Christy Ann Rowe, Nancy Sampson, Sheila Schroeder, Paul Sutton, Jeff Ludwig (proxy for Linda Tate), Matt Taylor, Gordon von Stroh, Lisa Conant (proxy for Nancy Wadsworth), and Wilfried Wilms.

### **Call to Order**

Michael Levine-Clark, Faculty Senate President, called the meeting to order at noon and welcomed everyone.

A motion to approve the minutes from October 9, 2009 was seconded and approved.

### **Provost's Report and Questions**

#### **Campus Security**

A suspect has been apprehended regarding the recent rash of robberies on the west side of campus. The robberies were coincident with our academic calendar. This was a multi-state investigation and the FBI was involved.

Thumb locks have been installed on all classroom doors; this is an easy to use manual device that deters unwanted entry.

All faculty and students are encouraged to view the video "Shots Fired" at the Campus Safety webpage. Faculty and students are also encouraged to "opt-in" to the campus notification system. The campus notification system will no longer send annoying early morning messages announcing the campus is open; subscribers should assume the campus is open unless a "campus closed" message is sent.

### **Background Information Regarding the Budget**

- DU is a moderately sized private institution with 586 FTE faculty, 1582 FTE staff, and about 12,000 students distributed equally between graduate and undergraduate programs.
- The undergraduate tuition discount rate is 32.9 percent.
- Only 40.8 percent of students receive need-based aid.
- Faculty salaries are approximate \$11,000 lower than peer institutions.
- We are very tuition dependent: 69 percent of annual revenue comes from tuition.
- We have a small endowment (\$265 million), an underdeveloped donor base, and underdeveloped alumni outreach.
- We have competitive, but high-priced, adult education programs.
- Our use of distance learning is limited.
- The undergraduate faculty to student ratio is 9.4 to 1; our peers are in the 12-14 to 1 range.
- We have Division I athletic programs.
- The Cherrington study abroad program is highly regarded and costly.
- Our research volume is small: \$18 million in FY2009.
- FY 2010 Overview:
  - \$330 million expenses budget
  - Major income sources: \$244 million from tuitions and fees, and \$9.8 million from endowment release.
  - Tuition increased by 4.9 percent; we expect a smaller increase next year.
  - Revenue increased by 4 percent.
  - Expenses were reduced by 1 percent.
  - Financial aid was increased.
  - The budget is intended to protect the core academic mission; there were no faculty cuts and faculty searches are moving forward.
  - Enrollment targets were met.
- Comments on the budget preparation process:
  - The process starts in the in the fall of each year. General goals are set by the Chancellor and Board of Trustees.
  - There is a series of meetings with each budget unit. These units provide an initial plan for use of existing resources, and an initial plan for resources they would like to have.
  - We use a “Provost model” where by the budget resides on the academic side of the house; this is unusual. Many Universities use the “petition” the CFO model; this approach is not a great way to protect the academic core.
  - In October, the Board of Trustees is informed about the intended merit increase. We met with the Trustees yesterday. In a typical year, the merit pool would have been approved yesterday. While a \$1 million merit pool was considered it was decided there would be no merit increase, but there would be a rebate on parking increases and health insurance increases. There are a dozen things wrong with this approach, e.g., it favors parkers, and families with children. It is not ideal.
  - The tuition rate for next year is being discussed now and will be presented to the Board of Trustees in January.
  - The formal discussion with the budget units will occur during January through March.
  - The fringe rate will be established during January through March.
  - In April the budget is transmitted to a Board of Trustees committee.

## **Responses to Questions**

The provost stated it was intended that 2008-2009 accomplishments would be considered in the 2009-2010, but that a statement from the Provost and the Chancellor regarding this would be more meaningful.

## **Budget Report (Provost and Julia McGahey)**

The Provost made a very detailed Powerpoint presentation regarding the University's operating budget: "University of Denver Operating Budget, October 9, 2009."

The Provost made the following additional key points during his budget presentation:

- From the mid 80s until about 2005, DU was in a growth mode. We are no longer in a growth phase. Some units will experience planned shrinking, e.g., Law, Social Work and Korbel are too big for their buildings.
- The prevailing public perception of universities is "inefficient providers of an over-priced product." This is among the factors constraining tuition rate increases.
- We must diversify our revenues sources. This means fund raising and increasing our endowment. We must learn how to raise funds to offset expenses. All units are encouraged to have Ed Harris (University Advancement) visit and talk with them.
- We were very successful at getting financial aid "out the door" this year; we had far less aid left on the table as a result of late decisions by applicants.
- Diversifying our revenue stream is a logical next step for a university of our size and circumstances. Many institutions, e.g., Harvard, small liberal arts colleges, are in a no-growth situation. Such institutions rely heavily on endowments to fund operations.

## **Responses to Questions and Comments on the Budget Presentation:**

Faculty/student ratio considers three adjuncts as one FTE faculty.

Ved Nanda commended the Provost and the administration for their excellent management of the budget situation and for providing this detailed briefing.

Faculty have pride in what we do; this is not an opportunity to "get rich."

## **Penrose Library Research Center (Erin Meyer)**

Erin Meyer provided a one page handout describing the instruction and research assistance available for faculty and students. Last year Penrose librarians conducted over 300 workshops on library resources; these workshops require about 45 minutes of class time. Help from the Penrose Research Center is available by appointment or on a drop-in basis.

### **Charitable Giving Campaign (Dick Gartrell, Annabelle Allen, Sean Lipsey)**

Dick Gartrell stated that the need has never been greater. This year's theme is "The Power of a Dollar." Each unit will have a team leader. The Campaign will run from October 30<sup>th</sup> through November 20<sup>th</sup>.

### **Elections—Sylvia Hall-Ellis**

Rick Leaman was elected by acclamation to be the Senate representative to the Academic Standards Committee.

### **Adjourn**

The meeting adjourned at 1:30 pm.

### **Prepared and submitted by**

John Hill  
Faculty Senate Executive Secretary