

REVISED

COLLEGE OF ENGINEERING
Faculty Meeting Minutes
February 27, 2006

- 1) The meeting was called to order by Dean P. B. Butler at 3:04 p.m. in 40 Schaefer Hall. In attendance were: Dean P.B. Butler, A. Scranton, T. Mattes, S. Collins, W. Krajewski, G. Carmichael, M. Subramanian, V.C. Patel, R. Stephens, R. Ettema, C. Beckermann, R. Valentine, J Reinhardt. D. Murhammer, A. Kusiak, J. Stoner, C. Swan, J. Lee, J. Weincek, G. Christensen, J. Aurora, J. Jessop, K. Chandran, A. Kusiak
- 2) The December 14, 2005 minutes were approved by voice vote.
- 3) No Old Business was discussed.
- 4) Provost Michael J. Hogan began an informal conversation with the COE faculty so as to make points, respond to question, issues and concerns.
 - President Skorton’s departure is a big topic of conversation, but Provost Hogan doesn’t know anything more about it than do we. The University will go forward, despite the huge loss.
 - Provost Hogan stressed the University’s strategic plan, specifically undergraduate education, research (which includes graduate and professional education), and diversity. One of the main goals of the strategic plan is to prepare undergraduates for life in a diverse world
 1. Provost Hogan also pointed out that the strategic plan is limited for the following reason: Because of limitations in state budget, the age of growth in public universities is behind us, though there might be a second wave some time in the future. This doesn’t mean that we shouldn’t still “fight like hell” for money.
 2. Last year’s growth might have just been a “blip”, but despite low state support we are doing better than other states.
 3. External funding is very important to continued success of the university, though Provost Hogan acknowledges that NIH funding has leveled off and that it will be more difficult to procure such external funding.
 4. Provost Hogan feels that we should be very involved in undergraduate education because tuition revenue is the biggest source of revenue for the university. Therefore, good enrollment is critical.

5. CoE needs to come up with a strategic plan to handle this situation with decreases in funding, but don't think "pie-in-the-sky". Just focus on resources and "be strategic."
 6. UIowa needs to figure out how best to spend its \$2.2 million budget.
- Provost Hogan expressed the opinion that there will be a great deal of change in higher education over the next few years and that if we drop out of the Top 25 ranking we will be in serious trouble because that will lead to trouble in getting and keeping good students and faculty.
 1. Provost Hogan pointed out that we dropped in the ranking from 19th to 21st essentially because we "stood still" letting other more proactive universities pass us by.
 2. He challenged the CoE to think hard about how Engineering will remain competitive in the academic marketplace, which he added, is more competitive than it ever has been.

Provost Hogan then opened the floor for questions from CoE faculty.

S. Collins asked about the Provost's thoughts on the reallocation/transformation program.

- Provost Hogan replied that the reallocation plan is the reason why he stressed the need to "focus, focus, focus". The current economic climate is not encouraging for filling the budget gap for the University. A situation is emerging that is analogous to "The Perfect Storm". By locking tuition at 4% that doesn't allow for growth, just cost of living increases, this does not even buy a faculty member. A \$6 million bump is equal to a \$3 million dollar cut.
- Provost Hogan went on to say that we need more tuition revenue even though he is optimistic that the university will get more than \$6 million, but not on getting \$29 million or tuition increases. In other words, there will be a need to reallocate if there is a substantial shortfall. This means no hiring and reallocation of money into the salary pot just to be lucky to get 3-4% salary increases every year.
- Provost Hogan believes that the biggest mistake over the last five years is that decisions were not made in the face of continual budget cuts, and that nothing was even considered until last year. The Provost stated that a clear set of priorities will be made for the University even if they turn out to be wrong. He wants something to be done.

R. Stevens said that the faculty gets paid to have fun and wondered what psychological effect that would have on people who want to be administrators. Hogan replied that it is more fun to be in administration when things can be given out. He thinks this issue is a chance to have a "creative moment", to figure out what are the core important issues.

However, values can collide, and that will make things difficult. Provost Hogan added that he knew what he was getting into when he took this job.

- Provost Hogan went on to say that the CoE must determine what distinguishes it from other engineering colleges.
- He also said that we should still feel good about ourselves

M. Subramanian said that he sees big changes in energy, health care and teaching, so why is it that Provost Hogan feels the growth spurt for the University is over?

Provost Hogan replied that there is no indication that funding increases for public universities are imminent. As far as external funding goes, the NIH may come back, but not for a while. Increases at NSF are probably going to be modest. Enrollment at UIowa won't and can't grow substantially because capacity will be exceeded. It all boils down to money management. Provost Hogan's basic planning principle is to plan for the worst and then we won't be disappointed. (More references to the "Perfect Storm" – i.e. concurrent declines in federal research dollars, state support and tuition revenues)

S. Collins noted the reallocation plan drafted by the regents was supposed to be a bargain with the legislature and the State of Iowa. This year the legislature will fall short of their end of the bargain. Are we going to hold up our end of the bargain (i.e. tuition increases)?

Provost Hogan replied that he is reluctant to say that in an election year there might be the possibility of a tuition increase. He went on to say that he is disturbed because the tuition is artificially low. In Provost Hogan's opinion, the low tuition actually serves to hamper access to the university because families that can afford to pay more are being subsidized. Provost Hogan continued by stating that tuition at the University of Iowa is the lowest in the Big Ten, and has been politically determined. Therefore, there is no choice but to reallocate in a situation like this because the money will not buy one new faculty member or help increase faculty salaries.

S. Collins: Sounds like we need a new plan

Provost Hogan: There is no plan now.

J. Stoner wondered if there is any possibility to move money from restricted funds to the general fund. J. Stoner has been on several committees and has noticed significant increases in restricted fund monies. For example, the benefits fund went up by \$50 million last year.

Provost Hogan replied that he would have to look at these funds, and is not sure that he agrees that there is a lot of money there for reallocation. Provost Hogan went on to cite examples like the run-down Jessup Hall, which has maintenance and fire issues, but that there is no money available for renovations. Provost Hogan is also not optimistic that there will be any money available from funds such as Parking.

J. Stoner followed up by noting that \$671 million is available in restricted funds, 20% of which is in the medical practice fund. In other words, everything that is not included in pure academic budgets.

Provost Hogan replied that he would have to look at each slice of each category to see if there is any waste.

Stoner: The University has been very successful at this side of funding.

R. Stevens interjected some discussion on working with freshman, and that it has been a great pleasure to work with the freshman.

Provost Hogan: I'm taking you with me.

A. Kusiak: Is there a longer time vision for the university? [Suggesting the possibility of privatization.]

Provost Hogan replied that it is hard to privatize because much more endowment is needed. Hogan also feels that a relatively inexpensive education of high quality is very important in this country, and that more diversity/interdisciplinary/emphasis on economic development is on the way.

Provost Hogan asked rhetorically, what is the CoE going to look like in 10 years under this scenario?

The Provost then went on to say that they were able to get a 5.4% salary increase across the entire university. This was the largest single raise in the university since 1992 and the largest in the Big Ten this year.

However, the Provost cautioned that we are losing ground. It will be hard to get a 5% increase again next year. Inevitably, this will lead to a shrinking faculty and fewer funded graduate students.

- Provost Hogan reiterated that he places high importance on faculty salaries and doesn't want to hire faculty at the low end and see top faculty leaving at the high end.
- Provost Hogan's priority is to have a streamlined, higher paid faculty with more external support.
- We have to move faculty salaries up or we're in trouble.
- Enrollment strategy is important.
- Provost Hogan envisions more long-term adjunct lines (e.g. PhDs teaching classes while waiting to find other jobs).

R. Ettema asked if the Provost can spend time individually with specific departments because sometimes the core values of a department do not match with the overall reallocation plan of the university.

Provost Hogan replied that he was glad for the invite.

The Provost wrapped up the discussion by noting that there is good news out there. The freshman seminar has been restarted, average ACT scores are up, retention numbers are up a bit, a 5% salary raise was instituted, and there are more diversity hires this year.

However, we won't be able to continue progress unless hard decisions are made at the departmental level.

- 5) Old Business: none was discussed.
- 6) The meeting was adjourned at 4:01 p.m.

Respectfully Submitted,

Timothy Mattes
College of Engineering Faculty Secretary