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THE UNIVERSITY OF ALABAMA IN HUNTSVILLE  
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MINUTES OF MEETING 564, 25 FEBRUARY 2016  
APPROVED 31 MARCH 2016

**Present:** *Wai Mok, Tim Landry, Eric Fong, David Stewart, Joe Conway, Joseph Taylor, Irena Buksa, Carolyn Sanders, Jeremy Fischer, Eric Seeman, Mike Banish, Richard Fork, James Swain, Kader Frendi, Babak Shotorban, Casey Norris, Ann Bianchi, Cheryl Emich, Lenora Smith, Luciano Matzkin, Debra Moriarity, Peter Slater, Tim Newman, Ming Sun, Vladimir Florinski, John Schnell, Diana Bell, Anne Marie Choup, Ramon Cerro, Earl Wells, Ken Zuo, Marlana Primeau, John Shrive, Grant Zhang*

**Absent with proxy:** *Xuejing Xing, Kyle Knight, Larry Carey, Azita Amiri, Monica Dillihunt*

**Absent without proxy:** *Xiaotong Li, Ying-Cheng Li, Monica Beck, Tim Landry, Christine Sears, Eric Seeman, Mark Lin, Monica Beck, Udaysankar Nair, Jeff Weimer*

**Guests:** *Provost Christine Curtis  
Mr. Ray Pinner  
President Altenkirch*

- Faculty Senate President Kader Frendi called the meeting to order at 12:33 pm.
- Approval of Faculty Senate Meeting #564 Minutes from February 25, 2016  
Mike Banish **motions** to approve Minutes 564. Tim Newman seconds the motion.  
Ayes carry the motion. No oppositions.  
*Motion to approve Faculty Senate Minutes 564 passes.*
- FSEC Report from February 18, 2016  
James Swain **moves to accept**. Ramon Cerro seconds the motion.  
Ayes across the room. No oppositions.  
*Motion to accept Faculty Senate Executive Committee Report February 18, 2016 passes.*
- **Administrative Reports**
  - President Altenkirch
    - Board Meeting is April 7 & 8, 2016. It is scheduled to be in the new building. They are working extremely hard to get one end done of the building and that will include meeting rooms. We will be given a campus master plan at this meeting that goes out a decade. This plan will include parking. Based on an enrollment growth for this fall, we will need to look at additional housing. Every bed will be filled this fall. We are looking at additional Greek housing to compensate for our 25% increase of enrollment of freshmen. This percent includes out of state, so we will need housing. The horse shoe area will allow for four houses to be constructed. Two cut through areas can be closed to include

two additional housing buildings. We would in essence be loaning the Greek student organization the funds to build. The other housing area would be similar to charger village.

- Enrollment this fall is 7,866. A projection model has been developed based on historical class ratios. These projections show a continual growth. We are keeping track of applications and admissions for next fall. Admissions are 27% ahead of last year. The application numbers and admission numbers aren't tracking exact due to us participating in a program last year. This allowed students in high school one week to apply without being charged an application fee. Not all of these students actually attended UAH. We won't do that this coming year.
- Carnegie Classification –
  - The Carnegie classification system is their invention. They didn't ask for anyone's input. This goes back to Alex McCormick. He was at the Carnegie foundation. He then moved to Indiana University. We remained the same in all classifications except research category. Within this category, it is broken into three levels. We moved from R1, highest, to R2, middle. The system is a complicated statistical analysis. The data is a comparison from 2010 and 2015. 2010 data is based on 2008 – 2009 data, and 2015 data is based on 2013 -2014 data. You see the percent change from 2010 to 2015. We run into trouble with PhD production. We dropped from .24 to .19. In 2010, we asked where we were vulnerable and it was PhD production. Research expenditures did not cause the change. We stayed flat in PhD production. In order to move back to the top category, we have to increase PhD's. Sometimes this data doesn't make sense; it isn't based on one factor.
    - Richard Fork – What is the reason our PhD production is low? Are our standards too high?
    - President – No, I think if you look at how research funding is spent. It is spend within research centers. It has moved away from the academic arena.
    - Richard Fork – I worry I set my standards to high for my PhD students.
    - President – I can't comment on that personally. They focused on PhD production. They sent the statement that it wasn't research funding it was PhD production.
    - Mike Newchurch- I don't see how these numbers can be close unless there is a negative in there. Will we see the coefficients?
    - President – I don't have those numbers.
    - Mike Newchurch – If you play at the highest levels, it cost in the competitive research world.
    - President – Maybe to some extent.
    - Mike Newchurch – I have seen it from the proposing side. It matters.
    - President – When I was at Mississippi State, we were at the highest level.
    - Mike Newchurch – There are other things to breakdown. I am sure it didn't do any harm to be at the highest level.
    - Diana Bell – Is this retaining students to start their PhD or recruiting students?

- President – I don't know exactly, but I would say recruiting.
  - Provost – In some areas getting part-time PhD students to finish.
- We can see institutions that moved from research 1 to research 2, there are 8 of them. Fifteen moved from 2 to 1. Research 1 universities went from 99 to 105 because of the net. The number in the second category went from 108 to 115. This is the research expenditures for faculty and PhD research staff. This is one of the normalized statistics they look at. We also see research for PhD graduates.
  - Faculty Member - In nursing, we have both PhD and Clinical Doctors. Within this ranking, this is for PhD only?
  - President – That is correct.
- So you see some odd things in this table. For example, Rockefeller University is number two in spending per researcher. They are also not producing PhD's. Their dollars per PhD is really high.
  - Mike Newchurch – A third of those colleges are doing less research than we are.
  - President – Yes.
  - Faculty Member - When they look at PhD production, they don't take time to complete PhD production?
  - President – They looked at a specific number, just a point in time. It depends on when they want to sample. The sample period was an issue. It is up to them how they determine. You can see a lot of other universities are less than ours. We are number 28 in the country in dollars spent for researcher.
  - Faculty Member – How much of UAH's research expenditure is by departments that produce PhD's?
  - President – A lot of the expenditures pushed out PhD.
- Budget
  - We look at the finances on a cash basis and asset basis. Cash basis is how we can spend and save money. Asset basis takes in more elements of finances and determines the bond rating. On a cash basis, these are the revenue streams we can actually spend. On an asset basis, there is another revenue stream added. It is not a revenue stream we can spend, it is investment. That is generated as income. On an expenditure basis, we are paying bills. On an asset basis, for the first time we are funding depreciation – pension liabilities. This is our portion of an annual pension liability. State appropriations for 2014 – 2015 were flat. During this time, state tuition went up some. The indirect cost recovery went down. Gifts remained flat. Auxiliaries went up. Investment income went in the tank. In the end, the increases allowed us to finish with cash. However, when you add in the investment loss and depreciation on pension, the asset went back. We had cash, but not enough to offset. Our projections for this current fiscal year and next, we are going to have more tuition/fee increase than 2015. We aren't sure what will happen with indirect cost. Spendable gifts will be flat. Auxiliary will increase. Investment income, we don't know. We don't want to pay anymore for money borrowed than we have to. We know we will have to borrow to build more housing. We need to control expenditures some. That is why we are slowing down on hiring. If you look at the general fund history over the decade. There were rough times in 2005 – 2006, but there was

an increase in 2008 – 2009 in the academic arena. We saw this coming so we slowed down and cut back. We are going to have to cut back more until we know how the indirect cost and investment income will pan out. The audit was done September 30, 2015, we had a decrease. January was not a good month, but we are increasing some. Investment income was another big issue.

- Joseph Taylor – How do we invest?
- President – The three campuses’ pool the investments and have a set of managers.
- Joseph Taylor – Do we include the endowment? Are we more insulated from a crisis?
- President – We are somewhat insulated by endowment dollars but not a percent basis. UAB’s expenditure loss was \$65M. I assume Tuscaloosa would be similar.
- Joseph Taylor – They have the same issue?
- President – Their scale is large to the point that they had a net increase, but nowhere near their usual increase. Keep in mind that UAB has a hospital, the revenue from that last year was \$1.5B. So they have a big revenue stream that no one else has. On a comparative scale, we are in the same boat as they are. They just had such a big revenue stream.
- Ramon Cerro – Would it make sense for the university to invest in government bonds?
- President – Ray will show you in the investment history. Yes, this past year was excellent in the investment market. Over time that isn’t the case. Our money managers outperform bench marks. There will be times that this can’t be avoided.
- Mike Newchurch – What is your outlook on the bigger picture? One of the assumptions is in the short term if you need more housing that isn’t going to help your PhD production. What is your outlook on graduate and undergraduate?
- President – The plan is to grow to 10,000. If you increase the graduate student population to 2,500, that will increase PhD production. The bulk has to come from grants and research. I would say that most of these places fund their PhD’s from outside places.
- Debra Moriarity – One thing that would be good to look at within PhD production is the teaching load of the faculty.
- Provost Christine Curtis
  - QEP Presentation
    - There will be three forums; I will have exact times at the end of the presentation. There will be a lot of opportunities for you to learn about QEP. This is a requirement of our SACSCOC. We are the governing board; we elect representatives from our state to serve on the board. We review ourselves. There are standards from the federal government. They do this through the reaffirmation accreditation process. The QEP is one of our course requirements. It says we have to have a five year plan to enhance learning. The QEP committee has been working for 1.5 years now on this. We have been talking with faculty, students to find out

thoughts. We had a call for proposals, reviewed the proposals, completed research, and then identified a topic. We surveyed 1,000 students that left the university with good standings and found out why. The results showed there was a number of reasons not just one. The impacts that caused them to leave were financial, relocation, job changes, as well as the difficulty of the courses. There was no one thing that dominated. The committee talked to students that were exiting and current students. The discussion they had boiled down to one statement, "you can't do UAH alone". Students said we need connections with other students – study and engage. Some students almost left until they had the opportunity to connect with other students and then stayed. The students told us what they needed to succeed. Students said connections were made in classes that forced them to connect with one another. This was done by working in groups on projects. The classroom is where the action is and the students need each other. Commuter students are an issue; we need to keep them on campus. We have a variety of students but all gather in the classroom. The QEP committee came up with five collaborative learning goals. They decided that collaborative learning would be the topic. The leadership team suggested we make it broad based so every class would be able to participate. The principles are to instruct the students of collaborative learning, everyone's opinion matters, to discuss, and inquiry based. Second, is to teach students how to collaborate in the classrooms. Also, to encourage students to value and appreciate collaboration. They will have to effectively work with others in the workplace. We need to improve our student learning. We want them to learn our disciplines and their majors. We want them to have an in depth understanding. Lastly, to make collaborative a center figure for UAH. The definition of collaborative learning as the QEP committee defined it is "UAH students and faculty working together to explore options and create solutions in the pursuit of knowledge." We do have a collaborative learning center. It is going to be housed in the student success center. We will be sharing resources so some individuals can work with students and the collaborative learning center. The director of the center will be working with our peer assisted, PASS, leaders to teach the students how to collaborate. The center will assist faculty in applying collaborative learning in their classroom, so students can engage more. Hopefully change the isolated learner to a collaborative learner. Dan Rochowiak is the director of the learning center. We have to have student learning outcomes; this is one of the requirements from SACSCOC. The acronym is RAVE: R-recognize collaborative learning, A - apply it effectively in the classroom, V - value collaborative learning, E - enhance their learning. There are three learning environment objectives to quantitatively

determine how we are applying the collaborative learning. There will be a collaborative learning advisory council. We need to make sure we are broad based. If the director should do something else, there is a committee working together providing continuity. The committee will provide guidance and oversight to the center and QEP. There will be two main committees one on assessment and one on grants and selections.

- Sr. Vice President for Finance & Administration, Ray Pinner
  - Budget and Finance Presentation
    - I am going to spend some time on history and then go to 2014 – 2015. My budget presentation has numbers. I chose 2002 to show our net assets. We started out in 2002 with total net assets – buildings. The second line is unrestricted net assets – cash. We had a good trend line for both. We started out in 2002 about \$115M for total assets, we declined in 2015. The peak of \$296M after the results of 2015 dropped to \$280M. Unrestricted assets declined after 2015. This number doesn't include the impact of an accounting change in 2015. We had to book our piece of the pension, the unfunded liability of the state. This is accountants gone wild; it blew \$146M in our balance. The new accounting rule was made effective 2015. It measured the unfunded liability of the state. The raw number of the state was \$9B and was distributed to universities and other agencies. Our piece was \$146M that hit the books instantly. This will change year to year; one constant is that we do have to pay \$1.2M for the next five years. UAB had to book \$1.1B and they are the largest employer in the state. Tuscaloosa was about \$550M. This isn't just confined to the state, it is nationwide.
      - Faculty Member – Do these accounts actually change or is it funny money?
      - Ray Pinner – It is funny money. That is why this is the dumbest rule we have ever had to follow. We are in no different financial position than before, but we have to record it.
      - President – The entry I talked about, pension liability, \$1.2M is the annual statement. The \$146M is the whole portion if we paid today. How they come up with these numbers? I am not sure. I can understand \$146M, but not \$1.2M. We are just told these numbers.
    - Quickly reviewing 2014 – 2015, we had a positive bottom line in 2014. The largest sources within operating revenues were contracts and grants and tuition. Largest source on non-operating was appropriations and expenses. In 2015, several things happened – operating revenue dropped \$14M due to contract grant activity. This was due to DOD issues that we are working through.
      - Mike Banish – Our tuition is \$65M and the state appropriation is \$40M. That means we are talking about \$40M in operating

revenue that is paid by the federal government. If that dropped by \$14M and operating expenses dropped \$2M, we kept paying \$12M?

- Ray Pinner – Yes, there were other expenses that have gone up on a routine basis.
- President – The presentation that I made did not include research funding, because indirect cost has been split up into the general fund. When you do an audit, research funding shows up there. I looked more at cash in and cash out.
- I wanted to pull out the primary revenue sources and how they have shifted. The appropriations are flat. The history is that the good times ended in 2008. Before 2008, we got a pool of money to do salary increases, etc. As far as today, it has been flat since 2010.
  - Ramon Cerro – If enrollment increased by 15%-20%. Why haven't we increased more?
  - Ray Pinner – Partly is due to the years we are looking at.
  - President – In the accounting world, the tuition and fees is the gross tuition minus everything that is not paid by the student personally. If there is a scholarship, a gift, pell grants – that is a scholarship. To us, this is revenue. This isn't showed here, it is showed in other accounts. It is doing what it is supposed to be doing.
  - Tim Newman – Is housing also in tuition and fees?
  - Ray Pinner – No.
- We made about \$7M in 2014 and lost about \$5.5M 2015. These funds are invested primarily in the University of Alabama pool funds. There are several. There is a total of \$2.3B for the system; we have over \$100M. Ours is relatively small. It is invested across the board in stocks and bonds. This is run by the BOT. This is where the money is. Deficit isn't pleasant, but happens. We have only had two years of negative total return. The worst year was 2008.
  - Mike Newchurch – You mentioned earlier F&A on research gets put in the general fund; it hasn't always been that way. It has moved into that direction. It seems attractive to do this but a disincentive to the research community. The discussion has continued about this over the past 2 or 3 presidents. The current administration has made an indication that F&A distribution would move toward more to those who generate it. I don't see this happening.
  - President – All doesn't go to general fund. Indirect recovery is the recovery of real cost. If you split F&A one way, you have to pay it another way. The last time we analyzed this, about 10% of

the state appropriation will cover indirect cost that isn't being covered by indirect cost.

- Mike Newchurch – You are saying half goes to F&A and half to general fund. It doesn't seem like it should take this much of F&A to cover these expenses.
  - Ray Pinner – We negotiate a rate with the feds every fifteen years. There are several components to this. The administrative component is 26%. Facilities are the other big percent. You can take this value into consideration.
  - President – We don't split the indirect cost by the formula. If you did, research wouldn't see as much as they do now.
  - Joseph Taylor – If we invest the cash we are sitting on, would that compensate for a higher bond rating?
  - Ray Pinner – We are in a good bond rating category currently. If we were bumped down on rating, it would cost 1 to 1.1%.
  - Joseph Taylor – Are we at that much risk of our bond rating going down?
  - Ray Pinner – Generally they look at a two year cycle. There is always that chance.
  - Mike Banish – Is it worth going through freezes and cutting back in areas that impact our interaction with students?
  - Ray Pinner – This isn't the only reason we are going to do this. After the pension, we have a negative fund balance. I think we are doing what a lot of other universities are doing. We need to make sure that we are in balance.
- Officer and Committee Reports
- President-Elect, Kader Frendi
    - The meeting with UAB and UA's FSEC was very successful. Alecia did a great job organizing the lunch meeting. We will do the same here in Huntsville on the 8<sup>th</sup> of April. Please make an effort to attend the lunch meeting. We will cater food for everyone.
    - Following the meeting, an effort is underway to create a committee among the three campuses to address child care issues. I copied Lenora Smith, chair of faculty and student development committee in my response to UA and UAB.
    - Sherri Restauri asked me to remind everyone about the Scholar's Institute being held here at UAH on May 17<sup>th</sup> & 18<sup>th</sup>. This year's theme is "Exploiting Technology for Best Practices in Teaching and Learning". Contact Sherri if you have any questions and register early.
    - Dr. Dan Rochoviak and the faculty senate are co-sponsoring a university wide faculty meeting for the QEP/CLC Friday the 26<sup>th</sup> at 1:00 PM, Tuesday the 1<sup>st</sup> at 1:00 PM, and Friday the 4<sup>th</sup> at 9:15 AM. They will all be held in the Chan Auditorium. This is in preparation for the SACSCOC campus visit on the 15-17<sup>th</sup> of March. Dan suggested the following content for the meeting: 5 minute intro, a



- 30 minute QEP presentation by Al Whilhite, and a 5-10 minute presentation by Dan of the CLC.
- Based on the UGCC recommendation, I have gone ahead and formed an ADHOC committee to look into the Professional Studies Program. Our first meeting is tomorrow at 9:00 AM in Wilson 116. The committee members are: Jennifer English, Alanna Frost, Deb Moriarity, Ivey MacKenzie, Monica Dillihunt, and Sherri Restauri.
  - Lastly, Lauren became the senate staff assistant two months ago. She has quickly learned her job and recently she took training classes on how to introduce changes to the website. She has now embarked on uploading and updating information on our website, which has a lot of missing information. In addition, Lauren will upload new chapters 1, 2, & 3 that were approved by the BOT this month.
  - Past President, Wai Mok
    - No Report.
  - Ombudsperson, Carolyn Sanders
    - No Report.
  - Parliamentarian, Tim Newman
    - No Report.
  - Personnel Committee Chair, Ramon Cerro
    - No Report.
  - Finances and Resource Committee Chair, Joseph Taylor
    - We have issued the call for distinguished speaker proposals. There are three at \$2,000 and one for \$4,000. Please encourage faculty to submit proposals to increase competition.
  - Governance and Operations, James Swain
    - The third of the campus will be holding their senate elections on Friday. My committee and I have been practicing encouragement.
  - Undergraduate Scholastic Affairs Committee Chair, Eric Seeman
    - No Report.
  - Undergraduate Curriculum Committee Co-Chair, Eric Fong
    - No Report
  - Faculty and Student Development, Lenora Smith
    - No Report
  - President-Elect, Mike Banish
    - Diane Bells gives motion to extend meeting time.
    - My suggestion would be to hold off on the two policies.
      - Tim Newman – Let’s get them done.
    - There are two policies that went through the FSEC.
      - Electric Sign committee on Sparkman Drive.
        - It was very straight forward, we didn’t make changes. Do I have a motion to accept this policy?

- Tim Newman moves to accept the motion to approve the policy. Debra Moriarity seconds. Motion carried unanimously.
  - This policy moves on second reading.
  - The next policy is the indebtedness and collection policy. There was some discussion within the FSEC. How does everyone feel about the changes? It does follow what would be expected in state law. Can I hear a motion to accept this policy?
    - Debra Moriarity moves to accept the motion to approve the policy. Tim Newman seconds. Motion carried unanimously.
      - Ramon Cerro – Are parking tickets included in this? A ticket left may be lost and in 30 days they start withdrawing from check.
      - Tim Newman – Isn't there something on the time frame? Yes, 30 days.
      - Mike Banish – You should receive an email as well.
      - Tim Newman – Our expectation is that if there is a parking ticket, the employee is notified on the parking ticket. Then payroll will notify you that it will be taken from your paycheck. I think we wanted there to be opportunities for the person to find out.
      - Mike Banish – That is where the term “legally determined indebtedness” comes in.
    - The FSEC has other questions on the communicable disease policy and academic title policy. We passed the policy on indebtedness unanimously.
    - Mike Banish passed out articles from the New York Times to senate members.
- Tim Newman motions to adjourn faculty senate meeting #565. Diana Bell seconds. Motion carries unanimously.

Faculty Senate Meeting #565 adjourned February 25, 2015 at 2:35 pm.