

FACULTY SENATE EXECUTIVE COMMITTEE

The Executive Committee of the Faculty Senate met on Wednesday, May 24, 2017 at 3 p.m. in the University Club Library, Chair Krista Wallace-Boaz presiding.

VOTING MEMBERS REGISTERING ATTENDANCE:

Krista Wallace-Boaz, Enid Trucios-Haynes, Pam Feldhoff, Robert Barker, Roger Bradshaw, Terri Holtze, David Owen, Martin Hall, Susan Peacock, Karen Hadley,

VOTING MEMBERS NOT REGISTERING ATTENDANCE:

Kurt Metzmeier, J.P. Mohsen, Chin Ng, David Simpson,

OTHERS IN ATTENDANCE

PROVOST DESIGNEE: Tracy Eells

STAFF SENATE REP: Ginger Brown

GUESTS: Melanie Delano, Patrick Harris, Lindsey Ronay

CALL TO ORDER

REPORT: Staff Senate – Brown

The Staff Senate will be having elections. The chair and vice chair are running unopposed. There are two ad hoc committees working on a new mission statement and a new strategic plan.

STANDING COMMITTEE REPORTS

ACADEMIC PROGRAMS COMMITTEE (APC) – Ng

The committee met for the first time in 2017 on May 1st. The committee discussed a proposal for the B.S. degree in Neuroscience, a joint program between the Department of Psychological and Brain Sciences (PBS) on the Belknap Campus and the Department of Anatomical Sciences and Neurobiology on the Health Sciences Campus, with the program residing in PBS. The committee met with Dr. Paul DeMarco and is in the process of seeking clarification on several items.

COMMITTEE ON COMMITTEES & CREDENTIALS (CCC) – Hall

This committee did not meet. Vacancies remain on the Parking Appeals committee and for the SGA representative.

PART-TIME FACULTY COMMITTEE (PTF) – Peacock

This committee has a major concern: the hiring process has changed. Now, all new hires are processed in Business Service Centers. This will take the unit UBM out of the equation in setting up the new hire with unit information and email. Further, all new part-time faculty will be L12, instead of L11. Dr. Tracy Eells said this was an effort to be more efficient. Chair Trucios-Haynes said she meets with HR Director Jeanell Hughes tomorrow and will discuss it with her.

PLANNING & BUDGET COMMITTEE (P&B) – Hadley/Mohsen

This committee reviewed a proposal that generated some concerns. The proposal and concerns were sent to APC.

REDBOOK COMMITTEE (RB) – Metzmeier

No report was made.

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OTHER COMMITTEES

HUMAN RESOURCES ADVISORY COMMITTEE (HRAC) – Pam Feldhoff

Policy Review: The Policy Oversight Committee reviews all University policies. As part of the review procedure, the Faculty Senate Executive Committee vets the policies. It used to be the Compliance Committee. The Senate chair is on the committee, though it has not met yet. A concern was raised regarding the high expense of a training called Civil Treatment. Senator Feldhoff asked at the HRAC meeting and was told it was \$250K for staff re-class and HR will select the 10-15 people to take the training. Ms. Hughes and Dean Mordean Taylor-Archer are working on this. A brief discussion took place on the need for the training, when spending is restricted to things central to the University's core mission and must be justified. The \$250K is in HR's budget, for staff training, though it may be targeted more towards diversity than staff training.

REPORT: FACULTY SENATE CHAIR – Enid Trucios-Haynes

Chair Trucios-Haynes reported on several topics, including:

- **Presidential Search:** The REDBOOK Consultation Committee met last week and will develop a list of attributes, determine how the committee will be involved in the search, and elected Susan Jarosi as co-chair.
- **Board of Trustees:** The board is very busy. It discussed moving forward in the search; it is working on a Memorandum of Understanding with the Foundation; its bylaws were revised; and, it set up an ad hoc committee on Tenure and Nepotism. David Grissom, Chair of the Board said it made sense to create this ad hoc committee. Members of this committee felt odd about the scrutiny on tenure. Provost Billingsley is on the committee and gathered information from ACC and other schools. With the budget situation, all cards are on the table and open for discussion. The data from the ACC and other schools will make an impression on the Board. The Board is made up of entrepreneurial risk takers, who make decisions based on facts and figures. There is a special meeting on June 8, when the Foundation audit report comes out, and then a regular Board meeting the following week. None of the constituent groups have representation on the Foundation's Board, though Cahir Trucios-Haynes is pushing for a seat for a faculty member.

GUEST: Celeste Carter (4:00 p.m)

Introductions were made, and Ms. Carter gave an overview of the HSC financials, which include the four (4) schools and the Executive Vice President for Health Affairs. The handout included pie charts for explanation.

- Executive Vice President for Health Affairs (EVPHA) – State appropriations are small, but because there are so many groups, it looks larger. Some clinical funds flow through it. IGT stands for Intergovernmental Transfer Funds, or ULP Clinic.
 - Question: What is the percent of revenue from ULP?
 - Under Academic Program Support. It is not a percent but based on the needs of the education mission, ULP will transfer funds.
- The Dental School's faculty private practice is different than the School of Medicine's, but that could change. Faculty are not required to practice, but may if they want to. All participants pay in for common expenses. After expenses are paid, the left over is divided.
 - Question: Are the student/resident clinics a cost or profit center?
 - Ms. Carter was not sure. Each department generates income from students/residents and that is held centrally. In the spring, the business office

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looks over the funds and uses it to make everyone whole. For example, the EVPHS transfers funds to cover the VSIP loss for two (2) oral surgeons.

- The School of Medicine – The clinics support the academic mission. The general fund was 12% of its 2016 budget and in 2017, it will be 13%. Endowments are 5% of revenue. Research takes a lot of money for grants, clinical trials, pharmaceuticals and medical devices.
 - Question: How are residents paid? Whose payroll are they on?
 - UofL receives the funds and they pay the residents. Graduate Medical Education oversees residents' malpractice insurance, etc.
 - Question: The University does not fund any of this?
 - No, the hospital holds the money in a pool. A Senate bill (SB97), mandates the training of primary care physicians. If we had to pay it ourselves, it would cost about \$38M-\$39M a year.

Ms. Carter continued, reporting on the dean's tax, which is 2% of clinic revenue and hospital contracts (non-academic). The tax was changed and decreased this year from 3%, to a straight assessment. It will increase by .5% each year until it stops at 4%.

- The School of Nursing offers support at the hospital
- The School of Public Health do not have clinical practices, but receive funds from KY One and other contracts.

With the changes to the practice of medicine, medical centers across the country are experiencing shrinking reimbursements, and increasing expenses. Many are restructuring their academic medical centers (AMC) and their clinical enterprise. At UofL, ECG Consultants are assessing our AMC and will make recommendations on how to optimize revenues and reduce expenses. The Board of Trustees is exploring the integration of the medial enterprise. Ms. Carter is not involved with that, so she is not sure where they are in the conversation. Kansas and Nebraska have merged their AMCs.

Causes for the shortfall could also be tied to the mandated staff and faculty salary increases, budget cuts, clinics taking over their own expenses, and, new buildings on HSC. These factors have contributed to the deficit. Grants are another financial drain. ULP added new practices and was hit with a huge unexpected IT expense and other infrastructure costs.

Ms. Carter said the consultants visit campus about three time a week and delve deeply into the analytics of funding sources. The consultant is trying to determine where to reduce costs, improve the flow of funds, and how to generate revenue.

Asked about the size of the deficit, Ms. Carter said that past deficits have been smaller and could be covered from other sources. This is the first year without a positive bottom line. The budget model changed and we have tried to base everything on actual costs.

A brief discussion of meaningful use of financials and physician incentives to use EMR (Electronic Medical Records). Asked what changed from last year, with no shortfall, to this year's \$21M shortfall, Mc. Carter said that's what ECG Consultants are trying to find out.

Ms. Carter told the committee to send her any questions and she will answer them.

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EXECUTIVE COMMITTEE**

OLD BUSINESS

None

NEW BUSINESS

Senator Feldhoff asked to hear about the meeting with Jeanell Hughes before the next Executive Committee meeting.

ANNOUNCEMENTS

None

ADJOURN

The meeting adjourned at 4:55 p.m.

Respectfully submitted,
Gretchen Henry