

**UNIVERSITY of LOUISVILLE**  
**FACULTY SENATE MEETING**

The regular meeting of the Faculty Senate took place on July 5, 2017 at 3:00 p.m. in the Chao Auditorium, in Ekstrom Library on Belknap Campus, Enid Trucios-Haynes presiding.

**Senators Registering Attendance:**

**A&S:** Beth Bradley, Jasmine Farrier, John Ferré, David Owen, David Simpson, Beth Willey  
**BUSINESS:** Rob Barker, Reg Bruce, Ben Foster, Robert Myers **DENTISTRY:** Lee Mayer, Robert Staat **EDUCATION:** Sherri Brown, Monica Delano **KENT:** Seana Golder, Lesley Harris **LAW:** Kurt Metzmeier, Joanne Sweeny, Enid Trucios-Haynes **LIBRARIES:** Carrie Daniels **MEDICINE:** Yousef Abu-Kwaik, Murali Ankem, Forest Arnold, Eric Burton, Pamela Feldhoff, Kenneth Palmer, David Stirling, Michael Tseng, Brian Wang **MUSIC:** Rebecca Jemian, Krista Wallace-Boaz **PART-TIME FACULTY:** Roy Fuller, Joseph Gutmann, Suzanne Hopf **PUBLIC HEALTH:** Scott LaJoie **SPEED:** Roger Bradshaw, J.P. Mohsen

**Also Attending:**

**INTERIM UNIVERSITY PRESIDENT:** Dr. Greg Postel  
**INTERIM UNIVERSITY PROVOST:** Dr. Dale Billingsley  
**PROVOST OFFICE:** Dr. Tracy Eells  
**FAR Representative:** Professor Elaine Wise  
**ULARP REPRESENTATIVE:** Mr. Bob Stenger  
**UofL TODAY:** Ms. Alicia Kelso  
**GUESTS:** Mr. Lee Smith, Mr. Mark Watkins, Mr. John Drees

**Senators Not Registering Attendance:**

**A&S:** Karen Hadley, Joseph Steffen, Clare Sullivan, Christopher Tillquist **DENTISTRY:** Ricardo Caicedo, Don Demuth **EDUCATION:** Justin Cooper, Caroline Sheffield **KENT:** Martin Hall **LIBRARIES:** Dwayne Buttler, Terri Holtze **MEDICINE:** Kendra Grubb, Saeed Jortani, Patrick Harris, Brad Keller, Gerald Larson, Rainer Lenhardt, Chin Ng **MUSIC:** Sidney King **NURSING:** Said Abusalem, Tim Crawford, Heather Owens **PART-TIME FACULTY:** Rose Mills, Michael Wade **SPEED:** Robert Keynton, Jacek Zurada

**CALL TO ORDER**

**ACTION ITEM: Approval of the – Trucios-Haynes**

The June meeting minutes were unanimously approved as distributed.

**REPORT: Student Government – Fuller**

No report was made.

**REPORT: Staff Senate – Brown**

Ms. Brown reported that:

- Staff Senate elections were held and Will Armstrong was reelected as chair, Vickie Tencer, as Vice Chair and Sabrina Haug as Secretary-Treasurer.
- Lee Smith and Jeanell Hughes reported on the Managed Print initiative.

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- Discussion of the parking fee increase. Senators expressed concern with increased fees and no salary increase.
- Regarding the RIF policy, the Senate is looking into the internal hiring process. Requests for RIF numbers have gone unanswered.
- President Postel will attend the Senate meeting on July 10.

**REPORT: Faculty Senate Chair – Trucios-Haynes**

Chair Trucios-Haynes reported on several topics, including:

- **Board of Trustees**
  - Three meetings in June included the Foundation's audit report on June 8; the regular meeting on June 15; and, the NCAA report on June 18.
  - Chair Trucios-Haynes is still advocating for a faculty representative on the Foundation's board.
  
- **President Search Faculty Consultation Committee (PSFCC)**
  - Held its second meeting in June.
  - Susan Jarosi and Rob Keynton are co-chairs
- **Faculty Senate Ad Hoc Budget Committee**
  - Roger Bradshaw is the Committee Co-Chair
  - Discussed the unit impact of budget cuts and hiring freeze
  - Discussed the faculty's role in dealing with cuts within units
  - Discussed temporary work load increases
- **Faculty Senate Statement regarding Foundation Audit**

Chair Trucios-Haynes presented a statement from the Executive Committee regarding the results of the Foundations' audit. A motion to endorse the statement passed unanimously. [Read the full statement here.](#)

**REPORT: Interim Executive VP and University Provost – Billingsley**

Dr. Billingsley reported on several topics, including:

- **Provost Personnel**
  - Ombudsman Search – Dr. Bob Staat is willing to remain in the position until the new Ombuds begins on August 1.
- **Dean Searches and Reviews**
  - Law School – Lars Smith will serve as interim dean until Colin Crawford arrives in January 20183
  - Speed School – Gail DePuy will serve as acting dean until the position is filled. Bob Fox and Kevin Walsh are co-chairs of the search committee.
  - Nursing School – The search will begin this fall and Toni Ganzel will chair the committee.
  - Five Year Reviews for Music Dean Chris Doane and Graduate School Dean Beth Boehm will begin in the fall semester.

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- **SACS**
  - The Leadership Team met on June 19. Several new members were introduced – Trustee Jim Rogers and SGA President Vishnu Tiramalu.
  - The Board of Trustees recently approved changes to the REDBOOK chapter 1 and Board of Trustees bylaws to comply with the new Board make-up.
  - Work continues on the compilation of information and documentation that was originally requested.
  - SACS has expanded the scope of the Special Committee scheduled to visit in September, to include an evaluation of compliance with regard to (1) the relationship of the University and Foundation, (2) financial stability of the institution, and (3) control of finances in dealings involving the Foundation.
- **Budget Advisory Committee**
  - The committee will review all requests for general-fund exceptions to the hiring freeze before October 2 and will track all hiring and surrendered positions campus-wide, the target yield from the exercise being \$10M. Special consideration is given to the following functions:
    - *Instructional impact:* Units must demonstrate that existing instructional staff and faculty have been reassigned to address as many gaps as possible before exceptions are allowed. Continuing part-time lecturer appointments (persons hired annually, but year after year) must be documented at the department level;
    - *External Compliance or Internal Policy:* For example, University Ombudsman.
    - *Safety and Security:* For example, University Police
    - *Essential Patient Care:* offered by clinical faculty, and
    - *Contractual Obligation:* with an external agency, including grants funders, when a general-funds position is required to meet contractual agreements.
  - Clarity about the funding sources and approval required has been difficult to establish. Positions that are 100% funded by restricted funds (grants, clinical, hospital) are subject to review through HSC processes. Parallel reports on attrition, turnover and surrendered positions is anticipated but not set up, yet.
  - All requests will be posted online and available for public review. The posting will be updated as the levels of review and final decision by the provost are available.
  - If the usual attrition rate continues, about 1100 positions may be reviewed and tracked.
  - This committee and the provost are concerned about the attrition that brings an area below the threshold of acceptable function.
- **Enrollment**
  - Compare to fall 2016, there is an enrollment shortfall of about 300 students. This is mostly in undergraduate admissions and creates about \$3M less revenue. It is hoped that graduate and professional enrollments will make up the difference.

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- The last of the regular orientation sessions began today; the previous eleven sessions opened with higher than normal no-show rates. Other institutions are also reporting lower freshmen enrollment rates. UK is down about 7-8% from last year.
- If enrollment is lower than expected, then retention is more critical than ever. The Enrollment Management office contacts members of each cohort, but positive classroom contacts with instructors are crucial at all levels. Deans were asked to work with their unit colleagues for stronger and more effective for student-success efforts unit-wide and, even more, with individual students.
- Freshmen and families are positive about the beginning of college, so negativity is particularly destructive of student and institutional success.
- **Student Financial Aid Cuts**
  - As outlined in the Federal draft budget, cuts would have a harsh impact on many of our students with greatest need. The national organization of financial aid officers has estimated the dollar amount of that impact

**REPORT: Interim Chief Operating Officer - Smith**

As reported earlier, the University's budget is facing a \$48M gap. He is developing strategies to claim \$20M in savings. The plan is to get \$10M in savings from both procurement and operations. Ideas for savings include:

- **Operations**
  - IT Costs – lower expenses in various ways. Examples: turn off unused licenses.
  - Energy Management – implement best practices for heating and air conditioning. Some buildings are heated and cooled 24/7 and are not in use that much.
  - Supply Costs – purchase supplies out of last year's budget
  - Managed Print – The Xerox contract has ended and RFPs are out for a bid.
  - Wired/Wireless Network - The current networks are outdated and must be replaced by January 2018. If we replace them ourselves, it will cost \$7-\$8M. It will be much cheaper if we partner with an outside company. An RFP is going out this week.
- **Procurement**
  - Last year, the University spent \$320M in procurement. If we deduct what we cannot control (grants, energy, etc.), there is \$165M left over. We must get the best pricing when we make a purchase. Examples given included:
    - Publications – The Chronicle of Higher Education (CHE) is bought by the Libraries and available to everyone, yet units buy their own subscription.
    - Software – There are multiple copies of the same software, all over campus. To be more efficient, this needs to be coordinated.
  - Challenge – Savings within units mean nothing if they are spent. In order to discourage spending for 2018, a 6% surcharge will be implemented on purchases. This strategy will be reviewed at the end of each month to ensure savings goals are met. This is just one way of trying to deal with the huge shortfall.

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- Mr. Mark Watkins, Associate Vice President for Business Services, was also in attendance with Mr. Smith and reiterated the information that was shared. He added that there will be a Top Ten List for many of the vendors. There will be a task group for each item to ensure the best pricing. This will centralize purchases and to get the best price for each item. Mr. Watkins gave examples of items on the list as catering, computers, travel and hotels.
- Questions
  - Why not just take \$10M out of the budget and use the 6% as a savings for the unit?
    - The point is well taken, but there are many units that do not budget for supplies.
  - University Libraries gets a 6% cut and spends their funds for the good of all. To add a 6% surcharge to those expenses is unmanageable.
    - Mr. Smith said he had just met with Libraries Dean Bob Fox and reviewed all subscriptions. They discussed a strategy to negotiate better pricing.
  - Operationally, how will you manage the 6%? With account codes? What about gift accounts and endowments?
    - At the end of the month, we will look at the source of funds (grants, etc.) and will add the 6% at that time.
  - What is the overhead cost of collection and maintaining the 6%? And is there a sunset to it?
    - We will be using existing resources, so not any goes to overhead. As far as a sunset, Dr. Postel can address that, but we are doing this as a temporary fix.

**REPORT: Interim University President – Postel**

President Postel thanked senators for inviting him today as he has many critical issues to discuss, including:

- **UofL Hospital**
  - On July 1, the UofL Hospital successfully returned to UMC management. It was a notable event. It was a festive environment. About 2500 employees transitioned from Kentucky One to UMC. The \$25M cash transfer to the hospital gives it a strong balance sheet. This is a great economic engine for UofL.
- **Construction** - All four capital projects are on target.
  - Belknap Academic Building - A topping off ceremony was held for the Belknap Academic Building. This project is fully funded by state funds.
  - Papa John's Cardinal Stadium – The extension is on target and fully funded by donors.
  - Student Activity Center (SAC) – Great changes are underway for the Belknap Student Center. Funding comes from various sources, mainly from Aramark.
  - Pediatric Office Building – On HSC, the topping off ceremony for the Pediatrics Office Building was about six weeks ago. Funding for this comes from the clinical physicians.

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- **Appointments and Searches**
  - Chief Financial Officer – A national search will be held.
  - Chief Academic Officer – This position will not be filled.
  - Chief Operating Officer – An internal search is proposed.
  - AVP-Human Resources – An Interim appointment will be followed by a national search.
  - AVP-Advancement – An interim appointment will be followed by a national search.
  - VP-Community Engagement – Ralph Fitzpatrick will fill in as interim, with a search to come.
  - HSC-CFO – Dan Durbin started on July 3, 2017. He comes from West Virginia University where they also had a \$40M shortfall. He know how to deal with this situation.
  - Director of Brown Cancer Center – The national search is complete and Jason Chesney has been hired.
- **SACS - Timeline**
  - June 19 – The SACS leadership team has its meeting.
  - August 15 – The UofL team (President Postel, Board of Trustees Chair David Grissom, Interim CFP Susan Howarth, and Assistant University Provost Connie Shumake) will travel to Atlanta to meet the SACS administration in person.
  - September 19 – SACS special site visit to UofL. Reviewing the UofL-Foundation relationship and financials.
  - December 4 – SACS annual meeting in Dallas. A decision on UofL’s probation status will be made.
  - Memorandum of Understanding – The memorandum between UofL and the Foundation specifies their financial relationship. SACS will look at the budgets of both and their sustainability.
- **NCAA Appeals**
  - It took a while and much consultation to figure out what to appeal. We are not appealing any findings, only two penalties. It is important to tell the story and not dispute it. Some penalties we placed on ourselves and then the NCAA set some penalties, as well. We are asking if these are reasonable and if there are precedents for them. The two penalties we are appealing are:
    - Vacation of wins/titles
    - Clawback of proceeds

There is non-emotional justification to appeal these rulings. We feel there were errors made in these decisions. We consulted with an appellate attorney and determined that these were reasonable appeals. There will be a hearing in November, and a ruling by the end of 2017 or early 2018.
- **Foundation Audit**
  - The Board of Trustees is digesting the report. Further investigation will take place. The Board meets on July 20 for further discussions.
- **Jewish Hospital/Frazier Rehab**

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- All the facilities are for sale. UofL owns the land through 2048. They are looking for a buyer, but Dr. Postel feels it will be very difficult to find one. The buildings are outdated and in need of maintenance. He has been in extensive discussion with Kentucky One, the state, insurance companies, etc. trying to work out a solution to best serve the community and not hurt UofL. Anthem, Passport, the city, all understand the issues. It could turn out to be a good story.
- **Budget**
  - The Board of Trustees passed our budget in June. With a flat tuition, we made extremely conservative assumptions.
  - We will conduct month to actual analyses and reassess this October. We will have a clearer picture after three months.
  - Dr. Postel said that in a large organization, people are one of the biggest expenses. If positions are not cut and tuition is not increased, then operations must be cut to find \$48M. With SACS closing in, we have to generate revenue with short-term sacrifices.
- **Questions**
  - A couple of months ago there was an issue with a firewall at ULP.
    - The Board of Trustees said to create a model and have all constituency groups weigh in. Consulting firm ECG is helping to restructure. Many offices are consulting and it will be refined before it is taken to the Board in six months to one year.
  - If units keep current budgets, even though we need to save \$10M, how will that help?
    - There is a difference between a budget and an audited set of books (which is the actual expenses). The budget is the plan of what we want to happen and the audit is what actually happens.
  - Are you taking an all funds approach, even with Athletics?
    - Yes. The intertwining of funds between UofL and Athletics was inappropriate and not normal business practice.

**REPORT: Standing Committees**

- **Academic Programs Committee (APC) – Farrier**
  - The committee did not meet.
- **Committee on Committees & Credentials (CCC) – Foster**
  - The committee did not meet.
- **Part-time Faculty Committee (PTF) – Peacock**
  - The committee did not meet.
- **Planning & Budget Committee (P&B) – Hadley**
  - This committee did not meet.
- **REDBOOK Committee (RB) – Metzmeier**
  - There was no report.
- **Executive Committee (XC) – Wallace-Boaz**
  - [This report is online.](#)

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**OTHER REPORTS: University-Wide Committees**

No reports were made.

**New Business**

None

**Old Business**

None

**Announcements**

None

**Adjournment**

The meeting adjourned at 5:00 p.m.

Respectfully submitted,  
Gretchen Henry  
Faculty Senate Coordinator