Present: Benedum, Brandt (w/o vote), Bridges, Cannon (Boise), Caplan, Chopin, DeAngelis, Dezzani, Ellison, Grieb (Vice Chair), Jeffery, Johnson (Chair), Keim, Matthews (for Kern w/o vote, Coeur d’Alene), Kirchmeier, King, Lee, Lee-Painter, McKellar (Idaho Falls), Tibbals, Vella, Wilson (for Morgan w/o vote).


Guests: 9

Call to Order and Minutes. The chair called the meeting to order at 3:31 pm. A motion to approve the minutes (Lee-Painter/Vella) passed unanimously.

Consent Agenda. After inquiry, no senator moved to remove items from the consent agenda. The following items were deemed approved:

Committee Appointments beginning Fall 2019
FS-19-075: FSH 1640.41 – Faculty/Staff Policy Group (revisions necessitated by changes in the faculty secretary position)
FS-19-076: FSH 1640.28 – Committee on Committees (revisions necessitated by changes in the faculty secretary position)
FS-19-077: FSH 1640.42 – Faculty Affairs (revisions necessitated by changes in the faculty secretary position)

Chair’s Report.

- The new UI President will be announced on Thursday April 11 at 10:30 a.m. PDT in the Administration Auditorium. Faculty, staff and students are invited to attend. The new president will be introduced and will make remarks at that time. The event will be livestreamed at: uidaho.edu/live.
- NWCCU is revising their standards for accreditation. The proposed revisions were circulated to Senate Leadership. We have decided to wait for the second round of revisions and reviews to make any comments because of the short lead time and because there are already substantive changes planned by NWCCU to respond to prior comments. We are working with Dale Pietrzak to make sure we don’t miss the next round.
- Senate Leadership has been asked to nominate 3-4 senators to fill a position on UI’s 7 Year Institutional Regional Accreditation Steering Committee. We have begun contacting senators who might be interested. Please let us know if you would like to be considered.
- The Faculty Secretary search is underway. Terry Grieb is chairing the search committee. Senators are encouraged to nominate prospective candidates. In addition to Vice Chair Grieb, the members of the search committee are Senators Morgan, Seamon, and Jeffery, and Vice Provost for Faculty Torrey Lawrence.
- Faculty judges are still needed for the Innovation showcase. In addition there also are still openings for student participants.
- The library’s review of journals is ongoing. Faculty can provide feedback at www.lib.uidaho.edu/review.
- Senators are encouraged to participate in the Great Colleges Survey.
- Results of elections for open senate seats are due April 15.

Provost Report. The provost noted that Boise State University’s new president will be announced on Tuesday, April 16. The provost then addressed questions asked by Senator Morgan regarding the growth in administrative expenditures at the central university level compared to the growth of expenditures at the college level. He pointed out that what is categorized or counted as central administration isn’t necessarily the administration that is at the heart of the question by Senator Morgan. He provided an
example, saying Student Services falls under administration but its function is more institutional support. He is working to benchmark UI’s administrative expenditures based on national data available from the National Association of College and University Business Officers (NACUBO). He hopes to report more detailed information by the end of April.

The provost noted that the attendance at the recent two UIdaho Bound events was greater than the total attendance at all UIdaho Bound events last year. The number of admitted students is up and there are indications that our yield rate (admitted to enrolled students) will increase this year. Based on these factors, the provost is cautiously optimistic about the possibility of enrollment growth next year. He cautioned that it is early in the process and that we cannot relax our recruitment efforts.

The provost will be holding an evening meeting with the deans to discuss the strategic hiring plan. He reminded senators that he is re-instituting the practice of developing a central faculty hiring plan, used by prior UI administrations, to better coordinate and strategically plan for hiring. Through this process, decisions about whether and how to fill open positions will be made through a university-wide process rather than a college process. This will allow the institution to allocate its resources to the highest and best use. The process will include all available unallocated resources within the division of academic affairs. He stressed that all funds would stay within academic affairs.

When this hiring plan process was first announced, the provost stated that most positions would likely stay in the same college although they might be re-structured to accommodate interdisciplinary priorities and/or program needs. Adjustments to base budgets were based on performance as well as contribution to the strategic plan. There are approximately 50 open positions this year. That represents approximately $3 million in salary funding. However, much of those salary savings have been allocated for budget reductions. The result is that funds are available to fill only half of the open positions. For this reason, the provost is not adhering to his original statement that positions would likely stay within the colleges. He is working with deans to develop a plan for allocating the available positions. The provost will make the final decision about how to handle the reallocation of positions.

The open positions fall into three general categories: 1) positions that need to be re-structured; 2) positions that need to be filled as structured; and 3) positions needed for innovation. Part of the process regarding the positions that need to be re-structured, the provost focused on the fact that UI has funded many faculty positions using non-permanent funding in the past. Although we have stopped this practice, existing permanent positions funded in this unstable manner, need to be re-structured and placed on permanent funding. Progress has been made in addressing this issue already, but additional steps are needed. The provost stressed that these positions are not at risk, but that the funding issues must be rectified.

A senator commented that in his college, approaches have been developed to prioritize faculty positions needed to cover core responsibilities compared to positions that have other purposes. He asked whether the hiring plan would make similar prioritizations. The provost responded that priorities such as those mentioned by the senator will still be made at the college level. The provost is focused on more institution-wide priorities such as does UI have the resources to restructure positions on non-permanent funding and are there innovative collaborations across units and colleges that could be fostered. He indicated that he is not going to make decisions without conferring with the deans. He also indicated that he believes a key consideration is that every college should get something to meet its needs.

A senator commented that the provost had also asked the deans to prioritize their own hiring requests.
A senator asked whether the hiring plan process was a separate mechanism from the University Budget and Finance Committee (UBFC) process for requesting new positions. Vice Provost Lawrence responded that UBFC is forwarding any requests for new positions that come through its process over to the faculty hiring process so they can coordinate. He clarified that new program requests that involve faculty positions still go to UBFC.

**FS-19-082: FSH 1640.22 Campus Planning Advisory Committee and FS-19-083: FSH 1640.40 – Instructional Space Committee.** Assistant Vice President for Facilities Brian Johnson presented the changes. Both proposals are part of an effort to restructure UI’s approach to space issues. Minor adjustments are being proposed to the Campus Planning Advisory Committee to add a faculty member and a student representative to the committee. The new Instructional Space Committee will formalize a taskforce that has existed for several years and that is focused on instructional spaces. The revisions to the Campus Planning Advisory Committee passed unanimously. The proposal to create the new Instructional Space Committee passed unanimously.

**FS-19-084: FSH 1640.90 – General Education Assessment Committee.** Director of General Education Dean Panttaja presented the change. The proposal is to add two faculty positions to the committee and require that the members be from the SBOE GEM areas. This will facilitate coordination of institutional and SBOE required assessment.

A senator pointed out that the number of committee members, 12, was not consistent with the number of specified members. An editorial change was proposed to substitute the phrase “up to 13” for the word “twelve” in proposed 1640.90.B.

The proposal including the editorial change, passed unanimously.

**FS-19-085: APM 30.15 – Password Policy and FS-19-086: APM 30.07 – User Provided Software.** Liz Brandt and IT’s Chief Security Officer Mitch Parks presented the updated policy. The change relaxes the rules for passwords in light of the implementation of the Duo Multi-Factor Authentication system. A senator asked how UI will enforce the rule that passwords should not be saved in web browsers. Parks responded that this has been part of UI policy for some time. He indicated that there are no plans at present to increase enforcement. He is hopeful that in the future, web browsers may include a way for institutional users to turn off the password save feature and that UI will be able to launch a password vault software available to all employees.

Aaron Johnson introduced the new University Registrar, Lindsey Brown. Brown thanked senators for the welcome. She indicated that the Registrar’s Office was continuing to move existing projects forward. She will be looking at how to implement the pending move to +/- grading, for example.

**Arena Financing.** Vice President Brian Foisy discussed proposed financing arrangements for the arena project. He explained that the arena project is funded through a revenue stream that will come to UI over a period of time. This includes gift commitments and student fees. However, the full amount of the project is needed up front so that construction can progress to completion.

The revenue stream for the project comes from several sources. First, students have committed $18 million to the project through student fees that will be paid over the next 35 years. Second, the university has received gifts, donations and sponsorships totaling $26 million. Some of these commitments have already been transferred to the university while others will be paid over time or are end-of-life commitments. The UI already has $16 million of the gift commitments in hand. For example, in exchange for a 35 year contract on naming rights, Idaho Central Credit Union (ICCU) has already transferred their
substantial gift to the university. Together, the student fee commitment and the gift sponsorships total just under $44 million. As has been indicated, the university is working to raise the remaining $3 million for the project.

The university has two options to respond to this financing gap. It can borrow the money from itself, or it can borrow the money from third parties. The more traditional approach is to borrow the money from third parties by issuing bonds and then paying them off using the revenue stream. The disadvantage of borrowing from third parties is that the university must pay interest. For the arena project, the interest could be $15-$20 million. These interest charges increase the cost of the project to $66 million.

The alternative is for the university to borrow from itself. Foisy acknowledged that in light of the current $5 million budget reallocation, financing a $29 million bridge loan might appear inappropriate. He explained that the bridge loan is not a loan against university reserves. He defined “reserves” as institutional funds that are not committed, that are managed centrally and that UI is free to spend and not replenish. The problem leading to the current budget issues is the depletion of university reserves. In December we failed to meet the board’s requirement for how much reserves we need to have on hand.

If UI borrows the bridge funding from itself, the loan would be from UI cash balances. Rather, he has analyzed UI cash balances. UI has consistently had a cash balance of $100 million for the past 15 years. The cash balances do not include restricted funds such as federal funds. He compared the university’s cash balances to deposits at a bank. The money on deposit does not belong to the bank. However, the bank pools those deposits and manages them. Banks extend loans from their cash balance created by these deposits. He also compared the bridge funding to the Vandal Strategic Loan Fund. Given UI’s long term, consistent cash balance, Foisy believes it could be appropriate for the UI to borrow the amount of bridge funding needs from the cash balance. Under state law, UI must have a very high level of assurance that we will get the money back. The risk is very low as the commitments for the stream of income to repay the balances are in place. Only the $3 million yet to be raised would be at risk.

The university has not decided which approach (borrowing from itself or from third parties) would be best. Borrowing from ourselves appears inappropriate given the university’s current budget situation. Also, questions about the university’s liquidity might arise if the university borrows from itself. The arena project can begin before these questions are answered because the university already has $16 million on hand. Also, if UI decides to borrow from itself initially, it could change course and issue bonds at a later date.

A senator asked about the university’s current bond rating. Foisy responded that UI has an AA3 rating. AAA is the highest rating. The AA3 rating is an investment grade rating. Foisy believes that if UI assumes additional debt or degrades our liquidity, it could cost us a notch on our bond rating reducing it to an A1 rating. This is still investment grade. The reduction in the rating has not happened yet and many factors could impact whether it happens. If the bond rating is lower, it could mean the UI would have marginally higher costs of borrowing. Foisy believes the risk is minimal.

Faculty Compensation. Vice Provost for Faculty Torrey Lawrence, Professor Patrick Hrdlicka, and Academic Budget Officer Kim Salisbury presented an update on the faculty compensation system. Lawrence explained that the university is launching a new dashboard in VandalWeb by which faculty will be able to see how their target salaries are calculated. The new dashboard will launch on Friday, April 12.

In preparation for the launch of the dashboard and for the upcoming compensation cycle, Hrdlicka reviewed the steps that have led to the current compensation approach. He explained that the data for the compensation is based on the CUPA-HR salary survey which includes all US public and private PhD-
granting institutions ranked as R-1, R-2, or R-3 schools. The database is comprehensive and is broken down by discipline, rank and tenure status. In some cases, alternative data sources such as the Oklahoma State Salary Survey and the Bureau of Labor Statistics are used where there were not enough data points in the CUPA-HR database. The CUPA-HR database is updated annually in February. Market salaries are available on the Provost’s website.

Part of the challenge of developing the compensation system was to make the CUPA-HR salary database work for UI. In some situations the database does not contain enough data points for certain ranks (instructors and senior instructors). In these instances, market rates are determined by tracking the market rates of associate professors in the same discipline. Similarly, there are insufficient number of data points in the databases for non-tenure track faculty in specific disciplines. A preliminary analysis of internal practices suggested that non-tenure track salaries track at approximately 85% of tenure-track salaries. Analysis of CUPA-HR data has indicated that market rates for non-tenure track faculty members likely are more appropriately tracked as 90% of tenure-track salaries.

Each faculty member was assigned a four digit Classification of Instructional Programs (CIP) code. CIP Codes are developed by the US Department of Education and are used to categorize higher education instructional programs. The UI formula is based on this market rate plus rank, longevity, tenure, academic vs fiscal year status, and full-time vs part-time status. The market rate adjusted after considering these factors is the faculty member’s target rate. The calculation of a faculty member’s target rate does not include consideration of performance. The target rate for each faculty member is based on fixed longevity tables that never exceed 100%. This approach means that some resources are set aside for performance compensation.

Referring to the FY 18-19 longevity table, Hrdlicka explained that the approach assumes that Instructors’ compensation should be calculated at 100% of market in order to be able to recruit faculty at that rank. Assistant professor salaries start at 90% of market. Again, the rationale for this is that salaries must be relatively close to market to recruit faculty at this rank. After three (3) years and a successful third year review, assistant professor target salaries move up to 100% of market. The longevity table also builds in salary jumps from assistant to associate professor, and from associate to full professor. The starting percentages for associate and full professors were chosen to approximate UI’s current promotion increases. Some criticism was received regarding the decision to require 17 years before a full professor progresses to 100% of market. An accelerated timeline will be used for FY20 that moves full professors to 100% in 11 years.

Lawrence demonstrated how the compensation system would work using several examples and using the new dashboard.

Salisbury next reviewed the approach that had been taken to compensation changes during the last academic year. 559 faculty received a mid-year compensation increase in January 2018. This increase was based solely on target salaries. Performance was not considered because new evaluations had not taken place prior to the increases. A sliding scale was used to calculate the amount of the increase. The further behind target a faculty member was, the bigger the salary increase was (as a percentage of their compensation). Faculty whose salaries were already at or above their target rate did not receive a salary increase. In April 2018 (FY19), 728 faculty received additional increases as part of the annual Change in Employee Compensation. These compensation changes were calculated to keep up in changes in the market rates from FY18 to FY19. The university also brought all faculty who had satisfactory performance evaluations to a minimum of 80% of target salaries. Finally, resources were dedicated to performance increases. Deans were not authorized to give performance increases to more than 1/3 of faculty in a unit. In addition, deans were authorized to use 50% of the performance resources allocated to them to address
equity and compression or to move faculty further toward their appropriate market rate. The effect of these increases moved salaries from 89.6% of market to 90.6% of market.

Professor Hrdlicka has developed a detailed FAQ that will be linked to the Faculty Compensation Dashboard and is available on Provost’s website.

For FY20, the longevity table for full professors will be accelerated to 11 years and the market rate for non-tenure track faculty will be determined as 90% of the market rate for the specific rank/discipline combination. Market rates will be determined as 3-year averages in order to smooth out sudden market changes. Once the portal is available, it will reflect FY19 information. New FY20 faculty targets will not be loaded until July 1 in order to avoid confusion.

A senator asked how faculty should report discrepancies or mistakes in their compensation calculation. Lawrence recommended calling the issue to the attention of the college or department. If the problem cannot be addressed at that level, then faculty should bring the issue to the attention of the Vice Provost for Faculty.

The faculty secretary asked how the allocation between market compensation and performance compensation will be determined for FY 20. The provost responded that he is currently discussing the allocation with the deans. The allocation may also be affected by a legislative goal to give every state employee a $550 raise. This will likely be incorporated into the allocation discussion. He advised faculty to monitor the situation.

A senator thanked Lawrence, Hrdlicka and Salisbury for providing information in the FAQ on how close each college is to market.

A senator asked how promotion increases would be handled. Lawrence responded that a proposal from a group that has been looking at promotion increases is currently under consideration. These increases are not being decreased or cut. The pending proposal is to expand promotion increases. Hrdlicka clarified that even if a faculty member’s market and target salaries drops, no one will see decreases in actual salary. Lawrence concluded by reminding senators of the upcoming open fora on compensation to be held later in the week.

The agenda having been completed, a motion (Lee-Painter/Dezzani) to adjourn passed unanimously. The meeting was adjourned at 5:04 p.m.

Respectfully Submitted,
Liz Brandt,
Faculty Secretary & Secretary to the Faculty Senate