Loyola University New Orleans  University Senate
Thursday, March 9, 2006, 3:30 pm
Multimedia Room 1, Monroe Library
Italicized names represent those in attendance
[Corrected minutes]

Kevin Wildes, S.J., President  
Walter Harris, Provost  
Biological Sciences  
E.L. Beard  
Business Administration  
Karen Arnold  
Don Dozier  
Jing Li  
Joseph Ganitsky  
Jerry Goolsby  
Lee Mundell  
Chemistry  
Thomas Spence  
City College  
Dee Harper  
Barbara Ewell (acting secretary)  
Communications  
Mary Blue  
Nancy Dupont  
Cathy Rogers  
Drama & Speech  
Georgia Gresham  
Education  
Mary Ann Doyle  
Jan Melancon  
English  
Ted Cotton  
Katie Ford  
Marcus Smith  
History  
Mark Fernandez  
Mike Ross  
Languages and Cultures  
Connie Rodriguez  
Josefa Salmon  
Law School  
Dominique Custos  
Mitch Crusto  
Luz Molina  
David Normann  

Dennis Rousseau  
Monica Wallace  
Law Library  
Francis Norton  
Library  
Trish Del Nero  
Alícia Hansen  
Mathematics and Computer Science  
Xuefeng Li  
Ralph Tucci  
Music  
James MacKay*  
John Murphy  
Alice Clark  
Philosophy  
Francis Coolidge  
Edward Kleist  
Physics  
Armin Kargol  
Political Science  
Conrad Raabe  
Psychology  
Lawrence Lewis  
Glenn Hymel  
Religious Studies  
Grant Kaplan  
Earl Richard  
Sociology  
Marcus Kondkar  
Visual Arts  
Simeon Hunter  

*Proxies:  
Alice Clark for James MacKay  
Guests:  
Vernon Gregson (Religious Studies)  
Laurie Joyner (A & S)  
Lawrence Moore, S. J. (Law)  
Stephen Scariano (Math)  
Mike Sibley (Business)
I. The Chair, John Murphy, called the meeting to order at 3:35 p.m.

II. President Wildes offered the invocation.

III. The Minutes for the January 12 meeting (held over by a late posting) were approved with no objections. The Minutes of the February 9 meeting were approved with corrections to the attendance list [Georgia Gresham represents Speech and Drama; Alice Clark represents Music].

IV. Reports

John Cornwell reported on the SACS visitation, scheduled for March 14-16. The focus of the visit was to be the Quality Enhancement Plan (QEP) and the four non-compliant points (missing faculty credentials, support for graduate programs, outcomes assessment summary, and learning outcomes in the common curriculum). He also explained how faculty might contact the visiting committee.

Cornwell then reported on the results of the preference survey for the Spring II semester. About 59% of the eligible undergraduates responded and 953 students indicated their intention for enrolling in Spring II, about the normal numbers for summer school, though students can take four instead of two courses. Cornwell noted a possible niche for online courses, with 64% of students indicating a preference for on-campus classes, 10% for online, and 26% with no preference. He cautioned that the survey results could not accurately predict specific classes needed nor class sizes.

Mary Blue noted the potential for students taking too many classes, given the intensity of the session; she suggested that the limits applied in a normal summer session be put into effect. Dr. Cornwall indicated that the advising process will be one safeguard; he then explained how the five and ten week sessions will be scheduled in order to allow students to enroll in both sessions.

Georgia Gresham reported on the primarily informational meeting of the Institutional Advancement Committee of the Board [see the attached report]. Victoria Frank, Vice-President for Institutional Advancement, provided a divisional overview: The staff has been reduced by one-third since Katrina, through resignations or cuts. Emergency fundraising surpassed its goal of $2 million by $976,000; by the end of January, the division had already surpassed all annual fundraising to date. The capital campaign preparations are continuing, with the hiring of Grenzebach Glier and Associates to identify new national prospects.

Individual reports were then given about the annual fund, public affairs,
publications and marketing, and the office of alumni.

Julia McSherry, as a consultant to committee, reported on the Stamats Longitudinal Research on the role of trustees, alumnae satisfaction, recruitment strategies, athletics, student housing and other issues.

As New Business, the Committee approved resolutions for seven professorships eligible for state funding.

Mary Blue reported on the Finance Committee of the Board (see attached):
1) The university has so far retained only 50% of its projected fall revenue.
2) Loyola is only Louisiana school to maintain its bond rating after the storm.
3) The endowment draw-down has been held at 5% to retain a low bond rating.
4) Planning assumptions (with a budget similar to previous years) define a middle case scenario for student enrollments [delineated in attached report].

Chairman Murphy reported on the general meeting of the Board of Trustees. [See attached report.] There was a resolution to make minor changes to the WWL retirement plan; and seven endowed professorships were announced, each funded by a $60,000 gift. Much of the meeting was devoted to motions from the Finance Committee (see report by Blue) on the assumptions for next year’s budget and possible ways to stabilize enrollments. Dr. Harris then summarized for the Board the program review process now underway, including the ranking by deans of all university programs into five tiers or “quintiles.” Harris noted that the Strategic Blueprint, also under development, would indicate which programs should be strengthened and which culled.

Before the Board retreated into executive session, Murphy asked about using the endowment to help the university through its current crisis. Fr. William Byron then asked if the faculty had yet thanked the administration for continuing its salaries after Katrina, and Murphy responded that there was a motion of gratitude currently before the Senate. Murphy then asked the board for its formal opinion on the uses of the endowment. The president replied in writing as follows:

“The board has a fiduciary responsibility to resume endowment assets which are intended to strengthen the long-term viability of the university. Reducing the endowment now would weaken the university’s capacity to borrow in the financial markets, as it will undoubtedly have to do. Furthermore, endowment funds provide support for scholarships, research, lectures, and other projects. Reducing the endowment now would mean a corresponding reduction in these areas and the board has chosen not to let this happen. The board’s policy is that the endowment is to be used to preserve the long-term health of the university and not to shore up gaps in the operating budget that the university has to deal with in the aftermath of hurricane Katrina.”

Marcus Kondkar asked whether the projected deficit of $10 million was based
on the enrollment assumptions in Blue’s report. Mary Blue replied that salaries and budgets for the previous year are assumed to remain constant.

Connie Rodriguez asked about the criteria for program reviews requested by the provost. Dr. Harris replied that the criteria were given to the deans and to SCAP, to be amended as necessary. The criteria included the centrality of faculty, numbers of majors, vocational advantages, facilities, and service outside the major.

Nancy Dupont, noting Fr. Byron’s question about faculty gratitude, asked if the Board was informed about how many members of the Loyola community have lost property or loved ones to the storm, or about how many faculty have named Loyola in their wills.

Vernon Gregson commented that while the criteria for program review were perhaps appropriate, the quintile rankings were not always supported by sufficient data. He noted the concerns of several deans and faculty about these inadequacies and commented that the objectivity of the process seems more apparent than real. Dr. Harris replied that he had not yet received the results of the rankings.

Laurie Joyner clarified that, as associate dean of Arts and Sciences, she had not been involved in the review process. She noted that, since the criteria were unclear, the college planning team and the council of chairs did not pursue the discussion. Georgia Gresham pointed out that the process, not the review itself, is under objection. Many feel that the criteria ought to be a consensus of the faculty, not the administration.

Mary Blue asked Fr. Wildes to clarify a statement by a Jesuit board member that “a crisis is a terrible thing to waste,” inquiring whether other Jesuit institutions might in fact perceive the storm as an opportunity to close Loyola as an unwelcome or weakened competitor. Fr. Wildes responded that he thought not, that the storm could also be an opportunity for growth.

Barbara Ewell observed that while most would agree that a crisis can be an opportunity, the process for making decisions has become opaque; the faculty is willing to rethink itself, but resists a process imposed by the administration.

Dr. Harris reminded the Senate of the process outlined in a recent letter from President Wildes, that the administration would begin to fashion a draft blueprint of the university’s future, and in April it would be made public for input. Ewell responded that that parameters for that process seem already to have been set, predetermining or limiting any outcomes.

When President Wildes asked for an example of such parameters, Marcus Kondkar pointed out that a positive amendment to the enrollment figures,
generated by Debbie Stieffel, seemed not to be included in a report to the Board. Fr. Wildes replied that he had, in fact, clarified the discrepancies with Ms. Steiffel, and that the Board was operating with the correct estimates.

Dr. Harris then noted that the number of students confirmed for attendance is “far below” last year and that current revenues do not correspond to the 90% return rate of students this spring. However, Grant Kaplan stated that planning based on insufficient data may result in unnecessary cuts or programming errors. Gregson reiterated that what the Senate fears is that permanent decisions are being made with insufficient data.

The chair then limited further discussion.

OLD BUSINESS
Gregson Motion #1: [See January minutes]

Discussion:

Marcus Smith objected that the current motion offers little creativity in handling the problems posed by the Spring II semester.

Georgia Gresham noted that while respecting contracts and fiduciary laws is critical, the “mediated compromise” clause in the motion is too vague. She indicated that she, like others, had determined to return to the university last September, whatever the terms.

Joseph Ganitsky commented while the faculty may have no legal responsibility to teach Spring II, we do have an obligation to help insure the survival of the university.

Alice Clark noted that despite ten-month contracts, faculty do work during the summers, doing research and representing the university at conferences.

Kondkar commented that portions of the motion remain too confrontational when unity seems to be a more critical outcome.

Gregson responded that the motion was not intended to be confrontational. He observed that administration had determined that we would need a Spring II to meet federal guidelines for tuition reimbursement. Gregson said that his motion should not restrict the actions of individual faculty, but instead provide alternatives for those who do not or cannot teach without additional pay.

Rodriguez stated that, given her personal losses from Katrina and her experience of uncompensated service to the university, she cannot comply with the demand to teach the Spring II semester without a written contract.
Dupont defended the spirit of Gregson’s motion, commenting that the university’s unilateral requirement that faculty teach in Spring II fails to respect the seriousness of individual losses and each person’s right to a unique response.

Ewell asked for a vote on the first part of the motion. It was seconded, Blue called the question, and the motion passed unanimously.

Blue then moved to approve the second part of the motion, and Marcus Smith seconded. But Kondkar observed that a vote on the motion as written would be extremely divisive and asked if there could be further discussion on the issue.

Blue explained that the motion was intended to keep the faculty from being required to teach, suggesting that asking for volunteers would be a more compassionate approach. Discussion ensued on how the precise requirements for teaching in Spring II continue to be modified, given the uncertain student demand for courses.

Marcus Smith then asked that the motion be tabled, with the question having been called. It was seconded and the motion to table passed unanimously.

Blue then moved to table all remaining business and to adjourn. These motions passed unanimously.

The meeting adjourned at 5:10 p.m.

ATTACHMENTS

A. Report on the Committee on Institutional Advancement, Board of Trustees
Georgia Gresham, Senate Representative

TO: Faculty Senate, Loyola New Orleans
FROM: Georgia Gresham
 Senate Representative to Board of Trustees
 Committee on Institutional Advancement
RE: Summary Report February 16, 2006 Meeting

 Staff Present: Victoria Frank, VP, Kristine Lelong, Renney Simno, Jay Sonier, Recording Secretary, Arthur Stern, Lucy Warburton
 Guest: Julia McSherry, consultant

Welcoming remarks and approval of the minutes. Ms. Donnelley presided, as Henry
Munoz Chair was not available. The meeting was primarily informational.

Reports were presented. Victoria Frank gave a Division Overview
Post-Katrina our division has lost 1/3 of our staff through resignations and elimination of positions due to University budget reductions.
In addition to the usual fundraising initiatives these are being addressed:

1) Emergency Fundraising – There is a window of opportunity this spring to approach new funding sources with our Katrina based need. IA has retained the services of a freelance grant writer to help with this project. The grant focus is being placed on student athletics. Also, the Annual Fund appeal has been directed to the emergency fund. The current amount raised is $2,976,000. The original goal was $2,000,000.

2) Funding for Specific Programs – they are researching individuals, corporations, and foundations that could support Loyola programs that assist in the renewal of the area

3) Preparation for a Campaign Through restructuring, hiring, and development of current staff, they are organizing for the campaign. Grenzebach Glier & Associates, Inc., fundraising consultants, has been engaged to assist in this process. They are also focusing on identifying and cultivating new prospects nationally. By the end of January they had surpassed all the money raised in FY05.

Separate informational reports were given:
Annual Fund: Lucy Warburton
Public Affairs and External Relations: Kristine LeLong
Publications and Marketing Communications: Arthur Stern
Office of Alumni & Parent Relations: Renny Simno

Julia McSherry gave review of Stamats Longitudinal Research.
The full report is available at: http://www.loyno.edu/ia/publications/Stamats.htm
A discussion followed the presentation. Issues discussed included where/how trustees are being utilized; alumni satisfaction regarding quality of education received; the relationship of Loyola to New Orleans in the city’s recovery process; information being disseminated to high schools as it relates to recruitment, student housing and Loyola’s athletic programs.

There were no Old Business items for discussion.

New Business
Ms. Donnelly referred the committee to seven resolutions for professorships. There was a motion for each and each was approved. The resolutions will move forward to a request for matching funds from the LA Board of Regents.

Meeting adjourned at 11:05 a.m.

**B. Report on the Finance Committee, Board of Trustees [February 16, 2006]**
Mary Blue, Senate Representative

Highlights of the Financial Update for FY2005-2006

1. We have collected about 50% of our projected tuition revenue for Fall 2005 but we aren’t done counting.
2. We are the only school in Louisiana that held onto it’s bond rating.
3. We are holding endowment draw down at 5% to keep the low bond rating, although no one said we are actually in the bond market. Going to 6%, which the President can do without Board approval, would reduce the deficit by $2.5 mil.
4. Our insured losses were at $4.2 mil.

Budget Assumptions for FY 2006-2007

The Board usually votes on a budget for the next year at this meeting. Instead, the committee voted to support assumptions based on one of three scenarios and to use these assumptions for planning purposes.

Overall Assumptions
1. assume no tuition increase
2. assume no fee increase
3. assume no res hall rate increase
4. assume no meal plan increase
5. assume 5% draw on endowment
6. assume small increase in Whelan Children’s Center
7. assume all res hall residents purchase meal plan
8. assume no salary increase
9. assume traditional levels of giving

The Finance Committee voted to use a “Middle Case” Scenario for planning. This includes:
10. assume undergraduate full time spring to fall retention = 85%
11. assume freshmen at 600 + 90 transfers and readmits
12. assume undergraduate part time and graduate students at 64% of fall 2005 levels
13. assume graduating seniors = 638

Some other assumptions:
14. assume 100% occupancy in res halls – may require sophomores to live on campus
15. assume salary savings maintained at 7.5%
16. assume insurance premium increases
17. assume other operating expenses cuts.
18. assume 10% increase in utilities.

C. Report on the Board of Trustees General Meeting [February 17, 2006]
John Murphy, Chair of the Senate

A resolution concerning the WWL Retirement Plan was approved.
Seven endowed professorships were announced. Each is presently endowed with $60,000 on deposit with the State Street Bank and Trust Company in North Quincy, Massachusetts.

A motion from the Finance committee was introduced, discussed, and approved. It recommended that the 2006-2007 budget be assembled according to a middle case scenario that the University will enroll a class of 600 new freshmen. 100 more or less would be considered best and worst case scenarios. Dr. Thomas Scheye stated that a class of 600 would produce a deficit of 10 million dollars that “the Board would not tolerate”. It was not stated what action would result. There was some discussion about the possibility of “tinkering” with enrollment standards in order to increase class size. Dr. Scheye said that of course would be an option but that results of that action would be a “very dicey proposition”. He pointed out that students try to enter Universities that don’t want them; that they “reach” for schools whose academic standards are slightly higher than for what they would easily qualify. Therefore, lowering standards might have the opposite effect on class size.

The rest of the meeting was devoted to explanation and discussion of program review. Dr. Harris explained how the Deans had been asked to rank all degree programs in five tiers or quintiles. This is a first stage of program review. The new Strategic Blueprint being developed may recommend the enhancing of the University’s strongest programs and the possible culling of weaker programs.

I brought to the Board’s attention the thought expressed in the Senate and by several of you to me privately, that using endowment to help the university through this critical time might a sensible consideration. I had noted that the Board had voted unanimously at the December meeting in Houston “that the Endowment should be used solely to invest in the long term life of the University and should not be invaded to support current operations”. I stated that I thought the faculty would appreciate a statement of the Boards position on this issue. As a result, the President has written me a letter of explanation that I will share with you now:

“The board has a fiduciary responsibility to resume endowment assets which are intended to strengthen the long-term viability of the university. Reducing the endowment now would weaken the university’s capacity to borrow in the financial markets, as it will undoubtedly have to do. Furthermore, endowment funds provide support for scholarships, research, lectures, and other projects. Reducing the endowment now would mean a corresponding reduction in these areas and the board has chosen not to let this happen. The board’s policy is that the endowment is to be used to preserve the long-term health of the university and not to shore up gaps in the operating budget that the university has to deal with in the aftermath of hurricane Katrina.”