Minutes of the meeting of December 2, 1997
Lyons Dental Building Student Lounge


Absent: Baughan, Burns, Campbell, Cook-Tench, Cox, Crowe, Elliott, Fulcher, Jolles, Liberti, Merchant, Ready, Ripley, Segreti, Shoaf, Steel, Swafford, Tipton, Webb, Welch.

1. The meeting was called to order at 4:05 pm by President Terry Oggel, with President Eugene Trani and Provost Grace Harris in attendance. The minutes of the November 11 meeting were approved as distributed.

2. John Guthmiller, co-chair of the Faculty Senate Committee on Alumni and Community Relations, introduced Delegate Donald McEachin. Delegate McEachin spoke about the prospects for the coming session of the General Assembly, with particular attention to issues concerning higher education. Anticipating that some form of "car tax" relief would be passed, he said that tough choices on the spending side would have to be made, especially in the second year of this biennium and the second biennium of Governor-elect Gilmore's term. Senators raised questions about several issues, including the state's policy on distribution of grant and contract overhead; the SCHEV proposed limits on financial aid, which may have a greater impact on VCU than on other universities; provision for indigent care in the MCVH; the crisis situation in the state's mental health services; and the impact of health care policies on our ability to provide first-rate medical education. In his responses, McEachin emphasized that since Gilmore had claimed during the campaign that public health and education were highest priority issues, the General Assembly would be watching closely to make sure that the Governor protected these areas in the next years' budgets.

He stressed that higher education must do a better job, however, of making its
case to all legislators and to the general public. If support for advanced technology and enhancement of the university's infrastructure for research and instruction is going to be achieved, there must be visible signs of the payoff to the state for such investment. Guthmiller expressed his appreciation for the forthright exchanges that took place in the meeting and described the initiatives that his committee, in cooperation with the Faculty Senate of Virginia, were taking to make sure that university faculty developed long-term relationships with legislators throughout the Commonwealth.

3. Oggel introduced President Trani to speak on the controversy that had developed as a result of the *Times-Dispatch*'s news article about the request to the legislature for a change in the rules for funding maintenance of the Engineering School building. Trani emphasized that he had been in touch with the members of the General Assembly, and that they understood that this was a legitimate request and did not involve a reversal on our part of any earlier commitment. The extended discussion that followed covered a wide range of issues, most of them having budgetary implications. The following is a representative, but incomplete, summary:

**School of Engineering:** The startup agreement under which all tuition revenue from the school is returned to the school is not unique. It was used to initiate the fast track MBA in Business; the Health Administration Executive degree program; the Pharm.D. program; and the Ad Center in Mass Communications. The use of some of these tuition revenues to maintain the engineering building means that growth of the school's faculty will be slower than anticipated and represents a reallocation of resources within the School.

**Cost and Price of Higher Education:** While the public hears much about increased cost of higher education, our tuition has increased only 6%, total, in the past four years, well behind the rate of inflation. Another two-year freeze on tuition will mean that we will have to raise 39 million dollars just to keep pace with costs from inflation. Over the past 10 years, during which the economy inflated by 36%, VCU's cost per FTE student increased by 35%. Of our budget of almost one billion dollars, only 160 million comes directly from the state. The rest is earned, through tuition, grants and contracts, hospital and physicians' fees, and so on. All agreed that figures such as these need to be made accessible to faculty if we are to be effective spokespersons for the university.

**Strategic Plan Revision:** The University Council meeting, originally scheduled for December 4, was postponed to December 10 so that members could react to the revised draft that was produced on December 1 (and distributed to senators at this meeting). Adoption of a revised plan will put us well ahead of other institutions as far as state requirements are concerned. What is proposed in the plan must be considered achievable within five years; some items within two
years. Even if we are not sure that we will have money available to fund everything in the plan, we need the list. Setting priorities among competing initiatives will be a continuing process, and cannot be completed in advance. On January 6 key administrators and faculty will meet to continue the elaboration of the implementation phase of the plan.

4. Oggel thanked the President and the Provost for their participation in an excellent frank discussion of important issues.

5. Attention then turned to the revised draft of the Strategic Plan, Phase II. Executive Committee members, who had read the draft earlier in the afternoon, expressed satisfaction with many of the changes, although suggestions for changing Section III on the Medical Center had not been included. The incomplete Implementation Section now includes language that stresses openness and faculty participation in setting priorities. After noting that the revised draft appeared to address five of the six major concerns identified in the Senate's previous meeting; and that there had been substantial faculty involvement in the revision process; Alan Briceland offered the following motion:

The Faculty Senate commends the administration for paying attention to the concerns of the faculty and hereby gives its qualified support to the revised draft of Strategic Plan, Phase II. The Senate recognizes, however, that at the time of its December 2 meeting the final rewrite has not been completed.

The motion was seconded and adopted unanimously by voice vote.

6. The meeting adjourned at 6:00 pm.