

Wake Forest University Senate
Minutes of the Third Meeting
February 6, 2002

The University Senate for 2001-2002 held its third meeting in the Hanes Building on the Bowman Gray campus. The following were present:

Administration: Rhoda Channing, Richard Dean, Paul Escott, Gordon Melson, Robert Walsh, Edwin Wilson

College: Allin Cottrell, Judy Kem, Charles H. Kennedy, Mark Leary, Win-Chiat Lee, David Levy, Gloria Muday, Paul Ribisl

School of Medicine: Louis Argenta, John Butterworth, Larry Daniel, Craig Henkel, David Herrington

School of Law: Charles Rose

Calloway School of Business and Accountancy: Roger Jenkins, Page West

Graduate School: Dale Dagenbach, Greg Shelness

Babcock School: James Flynn, Chet Miller, Timothy Smunt

Divinity School: Sam Weber

Staff: Pat Bird, Dana Hutchens, Lawrence Voss, Eric Winicov, H. David Womack

Guest: Maureen Carpenter

Timothy Smunt called the meeting to order at 4:05 pm. The Minutes of the meeting of November 28 were approved as written.

Provost search update Ed Wilson reported that the search for a new Provost began almost one and a half years ago. President Hearn requested 3 names from the committee he appointed to conduct the search. 8-10 candidates were interviewed on campus and a few were invited back for a 2 day interview, meeting with the President, other senior administrators, as well as the Senate Senior University Appointments Committee. Last year's candidates did not survive the search process, but this fall there have been some strong candidates, two of whom have been on campus for the second visit. Two more second visits will take place during this month. Dr. Wilson expressed the hope that the search would be concluded successfully within the next 6 weeks. When asked, Dr. Wilson said he believed all the candidates still in the running would accept the job, if it were offered.

Reynolda campus budgeting process John Anderson described the role of the Budget Advisory Committee in setting guidelines for tuition, salary and non-salary increases. The new paperless budget process rejects any budget which exceeds guidelines. In October the Trustees'

Business Operations Committee approves tuition and fees for the next year. They approve the final budget in March. Maureen Carpenter presented information on the proposed Reynolda campus budget for FY2003. Each of the Schools is looked at separately for budget purposes. Undergraduate tuition will increase by 5.2%. Unrestricted endowment is down by 1/3. The factors include the market loss, draws on the principal for debt and capital projects such as lead and asbestos abatement, as well as the capital campaign, Graylyn renovations and the Athletic Center. Salary adjustments were another draw. The unrestricted endowment income distribution in FY 2003 is expected to be one million dollars less than in FY 2002. Income distribution will be 5.3%. Next year's operating revenue will be \$208 million, 59% of it from tuition. Our tuition is among the lowest for private comparable institutions: 37th of 41. The next 30% of revenue, about \$10 million, is generated by auxiliary enterprises such as residence halls and the University Stores, as the net surplus benefiting the college. As to expenditures, salaries and fringe benefits are 54% of the total, with financial aid as another 15%. 63 full time faculty positions have been added to undergraduate programs since FY 1996! John Anderson mentioned another looming expense to begin in the summer: a seven year ADA compliance plan which will cost \$500,000 per year. Tim Smunt and others asked for details on a number of budget items, including the growth of the IS budget, a split of the salary and fringe benefit costs (with identification of salary increases due to additional positions), an identification of specific capital cost items (all over a five year period). He also verified that an additional 1% increase in faculty salaries would cost approximately \$800,000 out of the total operating budget of \$200 million (0.4% of the operating budget). The Reynolda campus endowment at the end of the last fiscal year was \$470 million. Operating expenses are increasing by about one million for next year. Fringe benefits are expected to increase by 5% in FY 2003 excluding the increase in medical insurance, costing an added \$1.5 million. If medical insurance is included, the increase will be 7.5%. Various Senators asked for more information about the budget, which Maureen Carpenter agreed to provide.

University Mission Statement Due to a request made by a senator at the November meeting, Tim Smunt investigated the current wording of the University Mission statement with respect to the reference of the University's "Baptist affiliation." He observed that with the State Baptist Convention severing its ties with Wake Forest, we might want to drop the mention of a Baptist affiliation from the mission statement. It is not mentioned in the mission statements of the individual schools, but is stated in the university and college statements. Tim has spoken to Ed Wilson and the President about this issue and will speak with Leon Corbett. While mention of the Baptist heritage was not controversial, the word "affiliation" raised questions from a number of senators, both elected and ex-officio. It was suggested that a statement claiming a Baptist affiliation might discourage some non-Baptists from applying to Wake Forest and reduce our chances of maximizing diversity.

Status of Medical Insurance Provider Search Win-Chiat Lee reported for the Health Care Committee that the search has been narrowed to three possible providers: MedCost (chosen by the Medical School), United Health Care, and ACS. The committee has made site visits to all three. So far they don't have information about the cost of premiums. Roger Jenkins added that the Fringe Benefits and Health Care committees will meet with Ralph Pederson soon, and a choice will be made by the end of the month. Richard Dean said that the provider network should be much broader under MedCost and United Health Care systems, and that there is a movement toward more flexibility and fewer restrictions than under HMOs. Smunt observed that it is important that the lifetime maximum, which is unlimited on the Bowman Gray campus,

and is \$1 million in the MedCost contract for the Reynolda campus, be raised for the latter. Robert Walsh said that a major concern for people is the desire to keep present providers. The Senate was assured that all present network providers would be included in “level 1” (in-network) and many more would be available. Richard Dean prepared us for a new round of health care cost inflation as well as increases in the cost of prescriptions, and added that Qualchoice underpriced its services to compete with larger networks. Paul Ribisl suggested that faculty could use an explanation of the health care environment from an expert.

Reports from Senate Committees (Fringe Benefits) Roger Jenkins said that work is still being done to compare Reynolda campus fringe benefits with peer institutions. Wake Forest is lagging in two areas: contributions to retirement and tuition reimbursement. (University Oversight) Mark Leary mentioned that the construction of an addition to Calloway has begun, and with it the permanent loss of 70 parking spaces. The Health and Exercise Research facility construction will begin in the summer, and the renovation of the lower level of the Benson University Center is finished. (Senior University Appointments) John Butterworth reported that the committee had met two candidates for Provost as well as the candidate for Dean of the Medical School, Dr. William Applegate, whose appointment was just announced. The committee has met to decide on candidates for honorary degrees and would meet again. (Inter-University operations) Larry Daniel described the first IOC sponsored faculty symposium on the Human Genome. It was very successful. About 150 attended, but Reynolda campus faculty presence was less than hoped. The next symposium will be held on the Reynolda campus, but the subject has not been determined. Suggestions are welcome. The IOC is also planning a community meeting on the theme of campus unity and diversity.

By-laws change The Senate voted to approve a by-laws change (attachment 1) written to produce staggered terms for staff Senators and other Senators filling vacant slots.

New Business The AAUP is having someone in to discuss Administrator Reviews. (This might be a future discussion topic.) Giz Womack reminded the Senators that their pictures are wanted for the website, and that he had his digital camera available.

The meeting was adjourned at 5:30pm.

Respectfully submitted,

Rhoda Channing
Secretary

Attachment 1

By-Law Change for Senator Term Balance

February 6, 2002

Section 2. Terms of Office.

(a) An ex-officio member of the Senate shall hold membership so long as that administrative position is held.

(b) The faculty and staff members of the Senate shall serve for a term of four years and may not serve more than two consecutive full terms, but would be eligible again after being off the Senate for at least one year. *However, in order to balance term expiration dates of elected senators, the Senate Executive Committee may decide before an election that the term for a particular senator position may be shortened or lengthened by one year. The change in the term length will be announced to both the Senate and to the relevant academic or staff unit by March 30 of the year of elections. Elections for the next academic year positions must occur between April 15 and September 15. The Senate Executive Committee must approve exceptions to this timeframe.* Faculty and staff members of the Senate who fail to attend three or more regularly scheduled meetings during a year may be removed from the Senate by the Executive Committee. A vote of the appropriate body must be held to choose a replacement.

(Change to current by-laws shown in italics.)