

The Senator

The Newsletter of the Wake Forest University Senate

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Tim Smunt, President

Spring, 2002

Call for Evaluation of WFU Administrators

A group of faculty, all of who are or have been department chairs, has presented the following letter for consideration by the University Senate. This letter addresses concerns about the lack of faculty involvement in the evaluation process of University administrators. Senate president Smunt has agreed to place this topic on the next Senate meeting's agenda and will initiate discussion on the issues and suggestions provided here.

The *American Association of University Professors Policy Documents and Reports* (Ninth Edition, 2001. John Hopkins University Press, p 229) offers the following recommendation to colleges and universities on the evaluation of administrators:

“Institutions should develop procedures for periodic review of the performance of presidents and other academic administrators. The purpose of such periodic review should be the improvement of the performance of the administrator during his or her term in office. This review should be conducted on behalf of the governing board for the president, or on behalf of the appointing administrator for other academic administrators. Fellow administrators, faculty, students, and others should participate in the review according to their legitimate interest in the result, with faculty of the unit accorded the primary voice in the case of academic administrators. The governing board or appointing administrator should publish a summary of the review, including a statement of the action taken as a result of the review.”

At Wake Forest, some departments have policies in place for evaluation of the department chair, but many do not. The Dean of the College does an annual self evaluation, in which 35-50 faculty randomly selected from the campus directory receive an evaluation form each spring. The selection is not entirely random, however, in that care is taken to include faculty from all departments and a good representation of department chairs, without duplicating faculty that have been included in previous evaluations. Faculty have the opportunity to, and often do, sign the evaluation. About half of those sent out are returned each year.

The Wake Forest policy currently in place for evaluation of senior administrators as stated in the HR manual is: *Annual performance reviews for the Executive Officers of the University (See HRPPM Section 1-4, Human Resources Definitions) will be conducted in accordance with a process determined by the President. Annual performance reviews for other Senior Academic and Administrative Officers (See HRPPM Section 1-4, Human Resources Definitions) will be conducted in accordance with guidelines established by the appropriate Vice President or Dean. Documentation pertaining to the evaluation of a Senior Academic and Administrative Officer of the University will be filed and retained as determined by the evaluator.*

However, there is no policy in place for evaluation of senior administrators by the faculty. Based upon the AAUP recommendations, we would like to offer three resolutions to the faculty concerning the evaluation of administrators at Wake Forest.

1. We resolve that a process should be established in each department for evaluation at least every second year of department chairs. Each department should develop its own instrument of evaluation, appropriate for that department. It will be the decision of each department whether the evaluation will be forwarded to the Dean or will be for the use of the department chair only. It will be the responsibility of the Dean of the College to see that each department follows its policy for evaluation of the chair as scheduled.
2. We commend the Dean of the College for initiating a self-evaluation. We resolve that a written policy should be in place in all schools on the Reynolda Campus for bi-annual evaluation of Deans. The Office of the Provost should initiate these evaluations. They should involve a wide and randomized cross-section of faculty. The Chair of the Department Chairs will receive the evaluations. The Committee of Department Chairs will summarize the evaluations and communicate the summary to the Provost, the Dean, and the faculty.
3. We resolve that the Board of Trustees consider implementing a policy for evaluation of senior administrators which includes faculty participation.

Carole Browne Nancy Cotton Candelas Gala Claire Hammond David Levy

PROVOST SEARCH UPDATE (see last page for new info!)

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. Eight to ten 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.

Intra-University Operations Committee --Chair: Larry Daniel



The first IOC-sponsored faculty symposium was on The Human Genome. The attendance for the symposium was approximately 150 with many graduate, medical and undergraduate students and also faculty and community members. The presentations were aimed at a broad audience and raised many moral and philosophical questions. Dr. Greg Hawkins explained the automated DNA sequencing techniques being used in the Wake Forest University School of Medicine's Center for Human Genomics. He told how sequencing the genome of individuals in families with inherited diseases allows the detection of differences that can be used to predict an individual's disease susceptibility. In addition, he likened the genomes of various species to a biological Rosetta Stone, which will allow the translation of the language of DNA into the language of protein function. Dr. Don Bowden, from the Department of Biochemistry and The Human Genome Center, talked about the interplay of heredity and environment. His study of the Pima Indians has shown that the genes, which now predispose the Pima to diabetes, were previously not a risk for disease when they followed their historical lifestyle. He also raised the question of whether it is useful to know of disease risk if we are unwilling to make the lifestyle changes to reduce our risk. Dr. Tamison Jewett explained her specialty of human genetics and the shortage of trained physicians and counselors in the field. Since current and future testing in genetics will identify risks for serious diseases that require sensitive moral and ethical decisions, trained counselors are critical. Mark Hall, a Professor of Law and Public Health, explained that the fear of insurance companies using genetic testing data to deny coverage might be unfounded based on economic factors. Dr. Nat Irvin III, of the Babcock Graduate School of Management, pointed out that the current dialogue about genetics, prenatal testing and genetic choice is dominated by "baby boomers" who have very different opinions from the teenagers whose lives will be most affected in the next twenty years. He also made the point that the opinions of diverse groups must be used to develop a useful consensus of opinion that will guide us into the future. The IOC committee thanks Dr. Maynard, Acting Dean of the School of Medicine, for supporting the symposium.

Further symposia are being planned with the next to be held on the Reynolda Campus. Suggestions for topics are welcome. The IOC committee is also planning a community meeting on the theme of "Campus Unity and Diversity".

Senior University Appointments Committee --John Butterworth, Chair



Since the last full Senate meeting, the SUA has met twice to consider and approve a final nominee for receipt of an honorary degree at the 2002 graduation exercises, and to interview a candidate for Provost. President Hearn and/or Vice President Sandra Boyette will be contacting each of the nominees for honorary degrees within the next few weeks. We should soon have a final "slate" to present to the Senate.

It appears that the Provost search committee now has identified several acceptable nominees, and the committee will likely have submitted a roster of 3 names to President Hearn by the time of our next Senate meeting. The SUA committee has met two of the candidates for Provost as well as the candidate for Dean of the Medical School, Dr. William Applegate, whose appointment was just announced. The SUA's collective opinion(s) regarding each of the Provost nominees have been submitted in the form of memoranda to Senior

Vice President Ed Wilson. For reasons of confidentiality, the SUA is unable to discuss the nominees in a specific way with the full Senate.

Fringe Benefits Committee --Roger Jenkins, Chair



The FRB Benefits Committee met on January 25th with two agenda items: (1) to consider the additional information requested from AON Consulting from the Peer Institution Benefits Study regarding maternity/paternity benefits and tuition benefits offered for dependent children attending other institutions, and (2) to receive a presentation from Ralph Pedersen, Director of Human Resources, on the University's long term plan for improving benefits for faculty and staff.

As a result of the Peer Institution Benefits Study, the two areas where Wake Forest clearly does not compare favorably are: (1) the University's contributions to the Defined Contribution Retirement Accounts of employees as well as the two-year eligibility requirement, and (2) the tuition benefits offered for dependent children attending other institutions. We hope that the University's long range plan for improving benefits will directly address both.

There was not sufficient time for Mr. Pedersen to present the University's five-year strategic plan for improving benefits, thus necessitating a later March/April meeting. The Committee plans a joint meeting on Tuesday, February 25, 2002 with the Healthcare Charges Sub-Committee and Ralph Pedersen to discuss our options regarding a new health medical plan, provider, and benefits.

Ad Hoc Senate Committee on Healthcare --Win-Chiat Lee, Chair



The main task facing the Healthcare Ad Hoc Committee in recent months is to assist and advise Human Resources and the University Administration in choosing a new health plan and its administrator to succeed our existing QualChoice plan when it terminates on May 1. The circumstances, however, are such that the University has no choice but to switch from a fully insured plan to a self-insured plan. The main task before us is therefore one of designing a plan that is affordable for both the University and the employees and hiring a Third Party Administrator to administer it. Medcost, ACS, and United Healthcare are the three organizations considered as candidates for the administrator of our plan. The Committee participated in the evaluation of these organizations, including going on site visits. Even though cost is foremost on the committee members' minds, efficiency and customer service are also very important concerns for us.

Besides identifying an administrator, we are also working with Human Resources to design a plan that is within the University's

"budgetary guidelines," i.e., the constraints set by the amount the University Administration has budgeted for its 60% share of the premiums. However, the amount the University has budgeted for this purpose may or may not cover 60% of the full cost of the switch to a new plan plus the annual increase in the cost of our medical plan. In the event that the "budgetary guidelines" do not cover the full 60% of the cost increase, the University would have to cut back further on medical benefits for its employees by increasing their out-of-pocket expenses. The Committee does not endorse such cost-shifting that makes the employees bear a disproportionately larger share of the cost increase. However, it would participate in advising the University in making the necessary cutbacks in medical benefits to make them least disagreeable to the employees.



University Oversight Committee --Mark Leary, Chair

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.

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 stock 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 \$1 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 former. 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.



University Senate President's Letter: March 2002

Timothy L. Smunt, Professor of Management and
Operations Management Area Coordinator

Continuation of Senate Activities

The Senate and its committees have undertaken a number of initiatives since the last Senate newsletter. The Senior University appointments committee has been busy with reviewing nominations for honorary degree candidates and has been interviewing candidates for the open Provost's position. A number of highly qualified candidates have been on campus as part of their second round of interviews, and we are hopeful that the University will once again have this important position filled. The Intra-University Operations Committee developed and offered its first cross-campus seminar, with over 150 attending. The University Oversight Committee has been monitoring the effects of current construction on the Reynolda campus as well as participating in discussions of future capital projects. The Fringe Benefits committee has been busy reviewing the WFU benefits profile and comparing it to peer institutions, as well as working with the Healthcare committee and the Human Resources department to find a suitable replacement for the Qualchoice healthcare insurer. Qualchoice made a business decision to no longer participate in the group health insurance market, but will provide coverage until May. Many other issues are under examination and new initiatives are taking hold in each of the Senate's committees. You can read more about them in the committees' reports shown in this issue.

Finances and Budget

Next year's academic budget will be tighter than the last few. The University administration is concerned about the economy and is experiencing a decrease in the endowment's value due to the stock market's retrenchment over the past two years. Since some of the operating revenue is determined by a three-year average value of the endowment, it appears that there may be less funds generated by the endowment this year. In addition, expenses are projected to increase, including insurance costs and a one-time expense item to improve our buildings that are leased to corporate clients. To combat the increased financial pressures, faculty and staff raises will be limited to a 2.5% average this year (1% lower than the last few years for faculty, the same for staff) and operating budgets for each department/unit will increase only 1% (although this is an increase over the flat budgets of the recent past). Of course, the limited raise pool for salaries is a concern of both faculty and staff. The low raise pool will most likely have the effect of further decreasing the competitiveness of WFU's salaries as compared to peer institutions. Further, as medical insurance premiums continue to rise, the net income of faculty and staff will increase at an even slower rate than 2.5%.

My discussions with both the faculty and staff senators indicate that there is a willingness to incur short-term sacrifices for the good of WFU. However, there is also a need to better understand the basis of the budget shortfalls. In this issue, a letter to the editor outlines some concerns about the ability of the University community to understand the basic issues of the state of the University's financial health and the resulting budget process. I believe that we need a better way of communicating the sometimes complex financial issues to the faculty and staff. While the administration has been supportive of such communication and has always agreed to provide a yearly financial presentation to the Senate, it is clear that this presentation alone is insufficient. Therefore, I will be announcing the formation of a new ad hoc Senate committee, which will be called the Financial Communications Committee. Its main objective will be to work with the appropriate administrators to develop consistent and meaningful analyses of important data that can be shared with the faculty and staff through the Senate. Its principle focus will be on *communication* of the data, since WFU does not incorporate faculty or staff input into the budgeting process.

Unity and Diversity

On a recent visit to the Guggenheim Museum in New York, I was able to view a Norman Rockwell exhibit that reminded me of many of our country's current problems and challenges. While Norman Rockwell's works were created pre and post World War II, his "Four Freedoms" series, used to generate support for the WWII efforts, seems as appropriate today as it was over 50 years ago. The Four Freedoms series (Freedom of Speech, Freedom of Worship, Freedom from Want and Freedom from Fear) served as a national inspiration. The one particular work that drew my attention is the Freedom of Worship scene. On this picture are the words, "Each According to the Dictates of His Own Conscience." A closer inspection of this work shows not only what appears to be worshippers in Christian prayer, but also a person from an Eastern religion, and a person who is deep in thought, but not praying in the traditional sense. Indeed, as the University celebrates the year of "unity and hope", we need to seriously consider the environments on our two campuses to ensure that we provide the type of openness and understanding that is in keeping with the mission of our University. Clearly, our student body and faculty become more diverse each year as we gain both increasing national and international stature. It is the right time to reflect on our customs and daily practices to ensure that our University is truly inclusive and welcoming of all. With this in mind, the Senate IOC committee will soon initiate University-wide discussions on the concepts of "unity and diversity."

Closing

Please also take some time to review our updated "report card", shown as the *Senate Initiatives Status* in this issue. As always, I look forward to hearing your comments and engaging in discussion with anyone who is interested in improving our institution. You may reach me at (336) 758-4423 or at tim.smunt@mba.wfu.edu.



Senate Initiatives Status

March 2002

Initiative	Status
Work with the Human Resources department to upgrade dental, disability and life insurance benefits.	Dental and life insurance benefits have been expanded and improved. Disability contract under revision with TIAA.
Work with the University administration on the creation of a day-care center.	The University was investigating less expensive alternatives to the original proposal. However, it appears that day care center construction has been put on hold due to the economic situation.
Continue to work on the Reynolda campus-parking situation.	The University continues to investigate various parking deck construction projects. It appears that parking deck construction has also been put on hold due to the economic situation.
Develop approach to mitigate the doubling of sport events season tickets (due to IRS regulations).	No progress made on this issue.
Determine the possibility of having the Athletic Department formally represented in the Senate.	By-laws change has been approved. It will be presented to each academic unit for ratification.
Stagger terms of staff senators. Due to the initial election of all six staff senators at one time, the terms of all will expire every four years.	By-laws change has been approved. It will be presented to each academic unit for ratification.
Provost Search	A number of qualified candidates have met with the Senior University Appointments committee and have interviewed on campus. (TASK COMPLETED!)
Medical Insurance Provider Change	The Medical School has chosen MedCost to replace QualChoice as a health insurance administrator. The Reynolda campus, along with the Senate Health Care and Fringe Benefits Committee, is looking for its replacement to QualChoice.
Work with Human Resources to develop a comprehensive comparison of fringe benefits with peer institutions.	The Fringe Benefits Committee has been meeting with HR and the AON Consulting firm, which has been responsible for gathering the appropriate data. At the moment, two critical areas of deficiency have been found, i.e. retirement benefits and tuition reimbursement.
Unity and Diversity	The IOC committee will initiate discussions on both campuses that address the University's current environment with respect to unity and diversity.
Develop better means of communicating financial and budget issues.	A new ad hoc committee is being formed to work with the University administration to develop better means of understanding and communicating current issues surrounding the endowment and budget.
Evaluation of Senior Administrators	Currently, there is no policy in place for evaluation of senior administrators by the faculty, students and other administrators. AAUP has made a number of recommendations to better align WFU's practices in this area with other educational institutions. The College faculty is currently discussing proposals on this topic, and the Senate will take up this matter for discussion at its next meeting.

Past President's Column

Carole Browne



Involvement of faculty in university governance varies from institution to institution, depending on whether the institution is public or private and upon differences in the culture and traditions of different schools. At Wake Forest our tradition has not been one of extensive faculty involvement in governance issues. This tradition may have been in large part a byproduct of our relationship with the Baptist Church. However, over the last two decades this relationship has been severed, and our governing board, faculty, and student body have all become significantly more diverse. Changes in the makeup of these constituencies have driven extensive changes in what Wake Forest is and how it goes about its business. These changes have included an increased voice of the faculty in governance issues, but there is still much progress to be made.

In any university, there is interdependence among the faculty, staff, students, administration, and

governing boards as each has a different role and/or responsibility within the institution. But in order for each to make the most informed decisions within its purview, it is critical that there be free communication between them all.

One of the important jobs of the University Senate right now is to explore ways in which the faculty can cooperate with the administration and Board of Trustees in making decisions about the future of the University, particularly those that impact on the faculty role in the University. It has been well demonstrated in the business world that motivation and performance improve when employees feel empowered through collaborative decision-making. We also must look at ways in which participation of the University Senate in administrative decision making can be enhanced. For example, what is the role of the Senate Senior University Appointments Committee, a committee composed of an elected cross-section of faculty, if not to play a major role in the search for and selection of senior administrators? Also, the Senate must explore ways to maximize faculty effectiveness as representatives to committees of the Board of Trustees by increasing communication between the governing board and the faculty.

Finally, the greatest challenge that I see facing the Senate is to increase faculty awareness of and interest in university issues. Perhaps the lack of faculty participation in governance at Wake Forest is due in some part to our failure to express a greater interest in establishing university priorities, budgeting, or selection of administrators. If our goal at Wake Forest is one of shared governance, it must be backed by commitment from the faculty, as well as the administration and the Board of Trustees, to actively participate.

Letter to the Editor...

Dear Editor,

At the February, 2002, meeting of the University Senate Maureen Carpenter gave the senators an account of the Reynolda Campus budget. I'm grateful for that presentation, but it left me unsatisfied in various ways. In the evening following the meeting I composed and sent an email to my senate colleagues. What follows is a modified version of that email, which I submit in the hope of provoking further discussion.

The starting point of my contribution is that we senators are not accountants or auditors; what we seek is a clear overview of the way the University is allocating its resources. We are bound to represent, and seek to clarify, the concerns of our constituents. Among those concerns one perennial issue is salary plus fringe benefits, not simply "in itself" but (as Senate president Tim Smunt said at the February meeting) in relation to other uses of resources such as information technology (in a broad sense, not just hardware but including the whole IS budget) and capital projects (also broadly construed). We are interested in the issue of priorities and seek information that would enable us to gauge the University's priorities. Specifically, we would like to be able to allay or confirm (as the case may be) our colleagues' concern that information technology and/or capital projects might have "squeezed" faculty salaries. In this light I have five specific points to make to administrators who are presenting budget information to faculty.

(1) Numbers representing the percentage-point contribution of specific budget categories to the overall percentage change in the budget for a given year are second-order statistics and, in my view, much more likely to confuse than to illuminate (they confused the senators for quite a while at our last meeting). In future presentations I suggest sticking to the most readily comprehensible percentages: percentage shares in the budget for any given year, and percentage changes in particular budget categories from one year to the next.

(2) Treatment of "auxiliary enterprises". I have found this thoroughly confusing in all official presentations of the WFU budget. The official (accountant's) view adds the gross income of auxiliary enterprises into the University's Income and enters the expenditures of these enterprises under Expenditure (along with faculty and staff salaries and the like). When we see, say, a large increase in the expenditure item on textbooks we're inclined to think, "Ah, that's where the money is going". Whoever is presenting the numbers then has to explain, "No, that's not a drain on resources, because although there's an increase in expenditure there, there's an even bigger increase in income; this auxiliary enterprise is actually making an increased contribution to net income." Fine; glad to hear it. But in my view this shows we are looking at the wrong numbers, and wasting our time in incomprehension. For our purpose -- understanding the University's allocation of resources -- the Income figure should include the net, not the gross, income of auxiliary enterprises, while the auxiliaries' expenditures should be omitted from the overall Expenditure breakdown. We want to see how the University is using its net income.

(3) It would be very relevant to the concerns of many faculty to see the share of the budget devoted to information technology. I for one think it's probably money well spent, but the standard presentations of the University budget don't enable us to make an informed judgment. Frankly, they give the impression there might be something to hide. (I say this because it seems to me that IT is a substantial, distinct and salient use of resources within the university, yet I don't think I have ever seen it broken out as such in public presentations of the budget.)

(4) A continuing concern among faculty is that "capital projects" are eating up too much of the budget and squeezing salary. Official budget presentations generally don't give us the information we need to make an informed judgment on this issue. When Senate president Smunt raised the issue, Maureen Carpenter made a distinction between "capital" and "debt" (the latter accounted for a substantial share of current uncommitted endowment while the former did not, if I understood her response correctly). My response is that "debt" (that is, debt service, the payment of interest and principal on outstanding loan obligations) is not really a distinct category of expenditure. It is an expense attributable to the projects on which the University has embarked using borrowed money. Surely the University has not borrowed to pay salaries or finance scholarships; rather it has borrowed to finance capital projects. So, in the relevant sense, "debt" is "capital": debt service obligations are expenses related to capital projects, and should be presented as such.

(5) To get an overview of trends and priorities, it would be useful to have a somewhat longer perspective in the numbers we are shown (as opposed to the "this year versus last" information that the senate was given in February). The University plans on a 5-year basis, while the available endowment is calculated on a 3-year moving average. If we had four or five years' worth of data to look at we could probably get a better sense of "where the University is going".

Allin Cottrell.

HOT OFF THE PRESS!!

Today - March 14, 2002

President Hearn announced that we have concluded the search for our Provost. The Senate endorses the appointment and welcomes Dr. Gordon back to WFU. Many thanks to the Senate's Senior University Appointment committee for their diligent work in reviewing the finalists' files and personally interviewing the candidates during their visits to campus.

Dr. Gordon is currently the president of the University of New Mexico. He is a graduate of Wake Forest with bachelor's and master's degrees in psychology. He holds the doctoral degree in psychology from Rutgers University.

Timothy Smunt
President - University Senate