

Faculty Senate
Collins Center
October 4, 2012

Present: Franca Dell'Olio, Andrew Dilts, Véronique Flambard-Weisbart, Richard Fox, Paul Harris Jamie Hazlitt, George Hess, Mladen Milicevic, Katherine Noon, Patricia Oliver, John Parrish, Ralph Quinones Robert Rovetti, Marta Sanchez, Sue Scheibler, Tim Shanahan, Carl Urbinati, Thomas White and Amy Woodson-Boulton.

Excused: Hawley Almstedt, Laurel Burks, Elizabeth Drummond, Omar Es-Said, Michele Hammers, Diane Meyer and Jennifer Pate.

Moment of Silence

- President John Parrish welcomed the two newly elected senators Ralph Quinones from the College of Business Administration and Marta Sanchez from the School of Education.

Motion 1: Approval of the September 20, 2012 minutes. By unanimous consent the acronym "APRC" was corrected on page one.

15 for, 0 against, 2 abstentions

- Staff Senate President Nick Mattos has suggested coordinating a Faculty and Staff Senate social event. The idea was accepted by the senate and Jamie Hazlitt and Sue Scheibler volunteered to assist with coordinating the event.
- Paul Harris volunteered to assist with the 2013 Faculty BBQ.

The LMU Economic Model

Guest: Joe Hellige, Provost

- Provost Joe Hellige joined the senate to discuss the LMU economic model. He began by outlining where university revenue comes from and where it is allocated. As a private university, approximately 81%-82% of revenue comes from tuition dollars. Approximately 11% comes from auxiliary services, 5% from investment income, and 3% from current gifts, which are often restricted for a specific purpose. Many private university budgets depend considerably more on their endowment than we do at LMU.
- The breakdown of tuition dollars is approximately 70% from undergraduate students, 18% from Loyola Law School, 11% graduate students on Westchester campus and 1% from LMU extension. With respect to expenditures, approximately 50% is spent on faculty/staff compensation (salary and fringe benefits) and 21% is allocated for financial aid for undergraduate and graduate students. Operating expense is approximately 15% of the budget, 9% is for auxiliary expenses, 4% for depreciation (on such things as buildings and equipment) and 1% for interest on loans. LMU currently has approximately 377 million dollars of endowment and the annual payout is approximately 5%. The annual operating budget is between 350-400 million dollars.

Discussion

Q. I have heard the phrase Graduate Programs have been said to pay for themselves. Is this accurate?

A. When you have departments providing both undergraduate and graduate degrees, it makes it difficult to determine the breakdown. The School of Education is unique and has a model where its graduate programs must pay for their operations.

Q. You mentioned an analysis that held all revenue constant for a year and that attempted to hold all expenses constant for a year. The result was estimated to be a 4.7 million dollar deficit in year one, with a 16 million dollar deficit after 3 years. Why is this?

A. One of the largest reasons was a projected 1.5 million dollar adjustment for the cost of benefits, largely attributable to a projected increase in health care costs.

- Approximately 300,000 dollars is allocated annually for promotions and faculty advancement to tenure. Additionally, 1.5 million is provided in financial aid to cover the difference between the aid provided to graduating seniors and the cost of providing the same percentage of aid to the incoming first-year students. Approximately 500,000 dollars is project to be utilized for previously approved capital projects.
- We are currently in an environment where LMU will not be able to raise tuition more than 3%. LMU has a balanced budget; however the institution is not in a position to continue drastically increasing tuition. LMU tuition has increased 82% in 10 years. The commitment to small class sizes and an emphasis on whole person education will always be expensive.
- LMU was ranked as one of the 10 most expensive universities by the Department of Education's net price calculator. This looks at the price of attendance minus money given back in financial aid. LMU is ranked 8th in cost of tuition within the 28 Jesuit universities. The most recent undergraduate application pool was growing at just under 12,000 applicants, with close to 50% being admitted.

New Scholarship Initiative

Guest: Dennis Slon, Senior Vice President of University Relations

- The new scholarship initiative will serve as a bridge from the last capital campaign and will be announced at the President's 2012 Convocation. The President moving forward has indicated his focus on building the endowment and on people. This effort will be a major scholarship initiative focused on scholarships for undergraduate and graduate students. It will be a short-term (3 year) concentrated effort with a goal of 100 million dollars. Approximately \$65 million will be allocated for the endowment and \$35 million for current use. There are currently other fundraising efforts for a variety of projects including the new life science building.

- Affinity groups comprised the majority of donors in the previous campaign and a majority of the money raised was (96%) restricted. Unrestricted support was around 4%. These donors have an affinity for departments/schools, underrepresented populations and high academic achievers. The next comprehensive campaign will come out of strategic planning discussions. The New Scholarship Initiative will be raising money both for undergraduate and graduate scholarships. The breakdown will be \$75 million for undergraduate and \$25 million graduate.

Discussion

Q. There is some concern about a focus on building the endowment during turbulent economic times. What is the rationale for this focus?

A. There is a sense that the endowment could weather economic downturns and that building the endowment is more practical than consistently increasing tuition.

Q. I understand the time intensive work that goes into the campaign. I would like to know how the case statement is drafted and if faculty input would be valued.

A. The case statement is a marketing type tool drafted by a freelance writer, but we will certainly value faculty input and provide an opportunity for feedback.

- Beyond raising money for the endowment, ensuring students can come here; supporting faculty work, travel, and research will be the next big fundraising components.
- Currently around 40% of lower division classes are taught by part time faculty. We need to look at this as a priority and determine what needs to be taught with less part time faculty.
- The President and Provost will discuss areas facing higher education and touch on many of these related topics at their respective convocations.

WASC Accreditation

Guests: Shane Martin, Dean of the School of Education

Margaret Kasimatis, Associate Provost for Strategic Planning and Educational Effectiveness

- WASC is a voluntary, peer- review process that evaluates the university as a whole. The new review process has been streamlined and now composes of one self-study report and one visit. LMU must submit the self-study report in July 2013 and has begun to focus on the campus visit scheduled for the Spring of 2014.
- The WASC Steering Committee is populated by LMU faculty and administrators. The group is currently identifying gaps in meeting the standards and progress from the last WASC special visit, gathering documentation and developing the “story” to be told for the self-study. The four categories of focus from the special visit are; assessment of student learning, outcomes-based curriculum design, strengthening and aligning planning processes, and ownership and infrastructure for organizational learning. WASC believes strongly in a culture of evidence and is looking at how the gaps and weaknesses are being addressed.

- There are five components of the self-study which will be presented in the form of five essays. These sections are the introduction, the body of the report, an optional essay on institutional specific theme, an integrative essay and an electronic exhibit portfolio. The steering committee is working on the essays, but needs to engage more faculty in this conversation. The body of the report will address the following areas:
 - Defining the meaning of LMU degrees and ensuring their integrity, quality and rigor.
 - Achieving “core competencies”
 - Defining and promoting “student success”
 - Ensuring institutional capacity and effectiveness in the future, and planning for the changing environment for higher education.

- If the fourth essay is presented well, WASC may not need to revisit LMU for 10 years. LMU has made good progress in the area of academic program review and the alignment of planning and data has assisted with the processes in place. The WASC standards below serve as guiding criteria/guidelines:
 - Defining Institutional Purposed and Ensuring Educational Objectives.
 - Achieving Educational Objectives through Core Functions
 - Developing and Applying Resources and Organizational Structures to Ensure Sustainability
 - Creating an Organization Committed to Learning and Improvement

Discussion

- Academic technology is important to LMU achieving its learning outcomes. The current process in place is sending out a survey on the satisfaction of academic technology. We need to look at peer institutions to make this process more robust and know how this impacts student learning.

- I feel we need to strengthen the language that LMU is a comprehensive liberal arts college. We are operating in an environment in which liberal arts is not highly valued.

- The essay on defining the meaning of LMU degrees and ensuring their integrity, quality and rigor relates to our discussion on transitioning to 4-unit courses. An increased ability to be self-critical is difficult, yet critical for students.

- There are two distinct questions; what a student has to do to earn a degree and what sort of person should they be when handed the degree.

Adjourned at 5:02pm

Submitted by: Franca Dell'Olio

Prepared by: Robert Houghtaling